

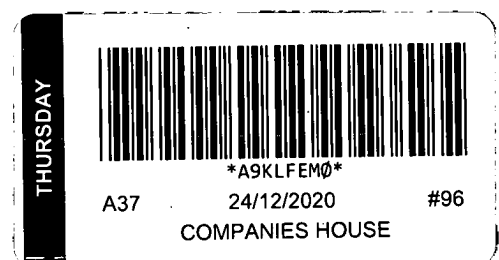
THERA EAST MIDLANDS

Registered No: 05566293

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2020



THERA EAST MIDLANDS
(A company limited by guarantee)

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INTRODUCTION

**These papers tell readers what the company has been doing
between April 2019 and March 2020.**

**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

Richard Andrews (Chairman)

Sarah Clark

Simon Conway

Helena Frewin

Lynn Wilmott-Shepherd

COMPANY SECRETARY

Tarnya Thompson

COMPANY NUMBER

05566293

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
for the year ended 31 March 2020

<p style="text-align: center;">This section explains that directors are responsible for putting together accounts which must show a true and fair view. This is the law.</p>

The directors are pleased to present their report and financial statements for the year ended 31 March, 2020.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020

- 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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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020

PRINCIPAL ACTIVITIES

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

DIRECTORS

The directors who served in the year were:

Richard Andrews

Sarah Clark (appointed 1 October, 2020)

Simon Conway

Stephen Daw (resigned 3 July, 2019)

Helena Frewin

Paula Tunbridge (resigned 17 January, 2020)

Adam Wells (resigned 30 June, 2020)

Lynn Wilmott-Shepherd (appointed 9 September, 2019)

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

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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020

Directors' and Strategic Report¹



chairman

2019-2020 was an exciting year for Thera East Midlands after the successful award of a contract that was let by Stoke City Council. I would like to welcome to Thera the people to whom we provide support and the staff who joined our team.

A big thank you is owed to those across Thera Trust and Thera East Midlands who put our tender together and to the team in both Thera East Midlands and in Stoke who made the transition a smooth one. The transfer took place in November 2019 and, even in early days, we have had very positive feedback from the local authority.

Since my last statement, Paula Tunbridge has resigned from her position as Non-Executive Director after 6 and a half years' service. Paula's influence and input over the years has been highly valued and she will be sorely missed. Stephen Daw also resigned from the Board after a fairly short period following his move overseas to a new permanent role. It was obvious from his short time with us that he would have been a great asset and we wish him well in his new venture.

¹ Thera East Midlands 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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We have been joined by Lynn Willmott-Shepherd as a Non-Executive Director. Lynn has long experience in the education sector, the NHS and with people who have a lived experience of learning disability. We all look forward to the contribution she is going to make. Although Lynn is fairly new to the Board, she has already met a number of people we support and made contact with many team members.

Towards the end of the financial year, Covid-19 started to raise its head. Despite having only recently started supporting people in Stoke on Trent, we were confronted with a new and previously unknown virus which had the potential to threaten the safety of our team and the people we support. It is a measure of Thera East Midlands that the whole team from frontline support staff to the Board have reacted well and pulled together as we have continued to provide support and protection to those who depend on us.

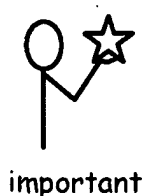
More recently, and after the end of the year, we were sorry to say goodbye to Adam Wells, our Managing Director, after four years in the post. Adam has made a huge contribution to Thera East Midlands' development in his time with us.

We've been pleased though to welcome Sarah Clark as our new Managing Director. She joins the organisation at a challenging time and we look forward to working with her in the months and years to come.

Richard Andrews
Chairman

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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020











What is Important for Thera East Midlands²

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:

Our vision

	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



Thera Group[®]
Supporting people with a learning disability

www.thera.co.uk

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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for the year ended 31 March 2020



support

Thera East Midlands Supports People with a Learning Disability

2019-20 saw Thera East Midlands support 320 people across Lincolnshire, Nottinghamshire, Derbyshire and Stoke on Trent. Following the award of a contract to support people in Stoke on Trent Council, in November, 2019, we started supporting 51 people. This involved a TUPE transfer of over 120 staff from 4 other providers.

In addition, during the year we started supporting more people in Chesterfield, Derbyshire and in Lincolnshire.

With great sadness, we heard news of several people we support who passed away, some of whom we have supported for many years. We should celebrate their lives and acknowledge the amazing support each individual received from our staff right up to their passing, especially in the difficult circumstances of Covid-19. Our staff have been unbelievably resilient and dedicated in their approach to work when having to deal with such tragic news - a great testament to their character. We will remember fondly each individual that we have lost and work hard to make sure their memory lives on.

2019-20 saw Thera East Midlands host its second annual awards ceremony. This was a huge success with over 200 people (both people we support and staff) attending the ceremony. This year saw us get donations from companies like Next, Belvoir Fruit Farms, Pipers, Downtown, Hanson Cement, West Midlands Safari Park and Notts Forest

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Football Club, which were used in a raffle to raise funds for our local community groups. An additional £200 was raised by Katie White (a staff member from Chesterfield) who completed a bungee jump! This is true dedication and was another of the donated raffle prizes! Staff members have spoken about how this awards ceremony makes them feel valued and appreciated and how being recognised in front of their peers is a great feeling. Planning for the third ceremony is underway and with Stoke on Trent now a part of Thera East Midlands, we hope that yet again the ceremony will be bigger than last year!

Whilst it has largely impacted after the year end, this year's annual report could not go by without mentioning Covid-19 and how our staff members rose to the challenge it presented beyond expectation. They have all worked tirelessly and incredibly hard to deal with the virus.

The stories which emerged during the year about people's achievements and about the support that has been provided by our staff are inspirational and some of those are documented below. A colossal thank you to everyone in Thera East Midlands; you are all amazing and we are very lucky to have you as part of our team.



story

Stories!

There's some great stories from across Thera East Midlands and we would like to share some of them with you here.

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Independence!

'Julie' began being supported by Thera after the closure of the residential home where she had been living for many years. She needed support in all areas of her life. 'Julie' took up a tenancy in a property shared with two other people. This was a great opportunity for her - she started cooking her own meals, spent more time in her local community and was able to see her friends more often as she was in walking distance of their house. She also got to say how she wanted her bedroom decorated!

After some time, 'Julie' said she wanted to be more independent and went to live with two other people who, like her now, needed less support from Thera; but although she enjoyed her time there, she still felt she wanted greater independence. 'Julie' was supported to move again, this time to a one bedroom flat in a block of flats with a warden. 'Julie' amazed everyone with her developing life skills. She now has total control of her money, has her own pin number and has developed budgeting skills. She plans her own household chores, completes her own washing, cooks and prepares her own meals. She has purchased her own mobile phone and has now got internet access. She regularly books taxis independently to visit family and friends. There is also an amazing sense of community in her building with residents meeting up for chats and gatherings in the community room.

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home

A new home!

A new lady has moved into a property in Clay Cross, Derbyshire and has settled in wonderfully.



award

Bravery!

A lady in Lincolnshire was petrified of injections and healthcare appointments. This year she managed to have her 'flu' jab and received a certificate of bravery, doughnuts and a coffee for a treat afterwards!



summer

Summer Activities

Some of the ladies we support in Derbyshire had a lovely summer visiting the seaside, zoo, walks and a trip to Blackpool using their winnings from bingo!



horse riding

Horse Riding

A gentleman in Lincolnshire has been visiting a stables and building up his confidence to go horse riding.



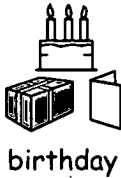
picnic

Community Picnic in the Park!

One of our community teams had a picnic in the park where everyone met and had a great time!

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for the year ended 31 March 2020



Happy Birthday!

A lady in Nottinghamshire celebrated her birthday with a lovely meal out surrounded by both people we support and her staff team; she had a fantastic day!



Slimming World success!

Two ladies supported in Derbyshire last year continue on their Slimming World journey and have been delighted to be able to share their success.

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People with a Learning Disability Help Manage Thera East Midlands

People who are supported by Thera East Midlands have a lot of influence on how the company is directed and managed³ as well as leading the design and delivery of their own support. For example, people with a learning disability are employed as directors and in a number of other posts. People also have an opportunity to become 'company members' of Thera East Midlands and can vote on a range of important issues that affect the organisation.

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

"This financial year has been a difficult and trying time for me and a personal learning curve. I have learnt some valuable and personal lessons in the way in which I carry out my role as Service Quality Director. In the last couple of months, I have had to manage without a permanent Executive Assistant which has given me the opportunity to develop and work out what is important to me and why it is important to have an Executive Assistant to enable me to do my job.

³ 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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I have continued to focus on how we work as a team. It has also been good to meet with the people we support and our staff; this has been through visits and Being Heard and other similar events. Having had discussions with people we support and members of staff, it was recognised that we need to have more Being Heard events across more areas. I look forward to implementing this in the coming year.

It is really exciting to see us now supporting people in Stoke and I am keen to start building relationships with the people we support and our new staff in this area.

I look forward to working with the Board, our staff teams and people we support towards Thera's Vision and prioritising implementation of our annual plan and its ambitions."

Helena Frewin
Service Quality Director

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for the year ended 31 March 2020



staff

Thera East Midlands Employs Good Staff

At the end of March 2020, Thera East Midlands employed 537 staff (March, 2019: 423), the majority of whom are support workers.

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.



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

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approach not only to people supported by the organisation, but also to members of staff and volunteers

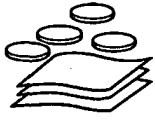
Staff are able to engage formally with the organisation as company members alongside people supported and family members and by electing representatives to the company's Employee Consultative Council, a sub-committee of the Board, providing a direct line of communication between directors and the workforce

THERA East Midlands has an established Employee Consultative Council ('ECC'), 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. During the year, our ECC has discussed topics like staff recognition, health and well-being and how to support staff who find themselves absent from work due to sickness.

THERA East Midlands remains committed to ongoing staff engagement and going into 2020/21, to look forward to more discussions at ECC as well as staff engagement days.

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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020



money

Thera East Midlands Money

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

Turnover in 2019-20 was £11.6m (2018-19 £9.8m).

The surplus for the year was £491k (2018-19 £55k). The Directors determined that the surplus made during the year would be contributed to Thera Trust as a distribution under gift-aid.

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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020



risk

Managing Thera East Midlands' 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 Key Lines of Enquiry or other regulatory requirements or a failure to realise Thera's Vision.

The social care market in which Thera East Midlands 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 Midlands' activities. Thera East Midlands 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 Midlands 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 Midlands 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 Midlands provides.

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Thera East Midlands may face risk from damage to key relationships with local authorities, the loss of key leadership and management or risk from litigation, financial or pension matters.

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

In addition, Thera East Midlands 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. In particular, Thera East Midlands sets and regularly reviews its serious incident and emergency contingency plan.



COVID-19

Covid-19

The accounts to which this report relates are for the year ending 31st March, 2020, when the Government lockdown in relation to Covid-19 had been in place for a little over a week. At that point, Thera had already put in place policy and guidelines in line with legal and regulatory requirements. It had secured and ensured the availability of sufficient

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DIRECTORS' AND STRATEGIC REPORT
for the year ended 31 March 2020

supplies of personal protective equipment and had identified and planned for the operational impact on each of its areas of activity.

Since the balance sheet date, a number of Thera's areas of work have needed to reduce in volume or to be suspended entirely. These include support to people in the community and in venues where people congregate. Instead, activities have been focussed 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. Where activity levels have changed, income levels have been sustained ensuring medium term stability once lockdown eases and there has been no material impact since the balance sheet date on financial performance or working capital. Additional costs, for example on personal protective equipment, have been funded either in this way or with additional specifically targeted income.

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

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DIRECTORS' AND STRATEGIC REPORT
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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 Midlands.

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 auditors 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 2020

**This section asks the 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 reappointment of Sayer Vincent LLP as auditor of the Company.

This Directors' and Strategic Report was approved by the board on 9th December 2020 and signed on its behalf.



Tarnya Thompson
Secretary

THERA EAST MIDLANDS

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

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 Midlands (the 'company') for the year ended 31 March 2020 which comprise the income and expenditure account, balance sheet, 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 company's affairs as at 31 March 2020 and of its result 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

THERA EAST MIDLANDS

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

This section explains that the Auditor has audited (checked) the accounts and that they are reporting to Company Members.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of

THERA EAST MIDLANDS

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

accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the Directors' and Strategic Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 MIDLANDS

**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' and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Directors' and 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' and Strategic Report.

THERA EAST MIDLANDS

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

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' and Strategic 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.

THERA EAST MIDLANDS

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

Director's responsibilities are explained on page 4.

**This page explains that it is the Auditors' responsibility to audit (check)
the accounts as the law says they should.**

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 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.

THERA EAST MIDLANDS

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

This page explains how the Auditor checks the accounts.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors

THERA EAST MIDLANDS

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

THERA EAST MIDLANDS

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

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)

16 December 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

You will see that this report and accounts also includes accessible information so that the directors of Thera East Midlands 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 says it is in line with the statutory report and accounts.

THERA EAST MIDLANDS
(A company limited by guarantee)

SUMMARY OF MONEY

For the year ended 31 March 2020

What we have earned and what we have spent: **£**

Money we got in	11,562,440
What we spent on our staff	(8,681,998)
Other money we spent	<u>(2,389,731)</u>
What is left over for this company	490,711
Contribution made to Thera Trust	<u>(490,711)</u>
What is left over from the year	<u><u>-</u></u>

What Thera East Midlands has at 31 March 2020: **£**

How much cash we had in the bank	4,117
What we are owed by others	721,109
What we are owed by other Thera companies	307,203
What we owe to other Thera companies	(490,711)
What we owe to others	<u>(541,718)</u>
Final amount the company had at 31 March 2020	<u><u>-</u></u>

THERA EAST MIDLANDS
(A company limited by guarantee)
INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2020

	Note	2020 Total £	2019 Total £
Turnover	3	11,560,628	9,784,561
Direct costs		(9,557,013)	(8,499,872)
Gross surplus		2,003,615	1,284,689
Administrative expenses		(1,514,716)	(1,233,570)
Operating result	4	488,899	51,119
Interest receivable on intra-group borrowings		1,812	4,092
Result from ordinary activities before taxation		490,711	55,211
Taxation on result on ordinary activities	7	-	-
Total comprehensive income		490,711	55,211
Retained earnings			
Total comprehensive income for the financial year		490,711	55,211
Gift aid distribution to parent charity		(490,711)	(55,211)
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.

THERA EAST MIDLANDS
(A company limited by guarantee)

BALANCE SHEET
as at 31 March 2020

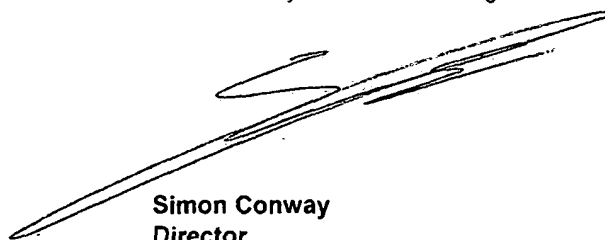
COMPANY REGISTRATION NUMBER 05566293

	Note	£	2020 £	£	2019 £
Current assets:					
Debtors (Including those due after one year)	8	1,028,312		576,872	
Cash at bank and in hand	9	4,117		4,868	
		<u>1,032,429</u>		<u>581,740</u>	
Current liabilities:					
Creditors falling due within one year	10	<u>(1,032,429)</u>		<u>(581,740)</u>	
Net current assets			<u>-</u>	<u>-</u>	
Total assets less current liabilities			<u>-</u>	<u>-</u>	
Long term liabilities:					
Creditors falling due after more than one year	11		-		(3,665)
Net assets			<u>-</u>	<u>(3,665)</u>	
Reserves					
Retained earnings			-		-
Total reserves			<u>-</u>	<u>-</u>	

The financial statements were approved and authorised for issue by the board and signed on its behalf on 9 December, 2020.



Sarah Clark
Managing Director



Simon Conway
Director

THERA EAST MIDLANDS
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
for the year ended 31 March 2020

	Note	2020 Total £	2019 Total £
Net cash used by operating activities	14	(4,756)	(30,892)
Cash flows from financing activities:			
Interest received		1,812	4,092
Net cash used in financing activities		1,812	4,092
Net decrease in cash and cash equivalents		(2,944)	(26,800)
Cash and cash equivalents at the beginning of year		4,868	31,668
Cash and cash equivalents at the end of year	9	1,924	4,868

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

1 Accounting policies

a) Statutory information

Tera East Midlands 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' March 2018), 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 2020 (2019: year ended 31 March 2019).

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 there are no material uncertainties about the company's ability to continue as a going concern.

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) Taxation

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

THERA EAST MIDLANDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2020

1 Accounting policies (continued)

f) Pensions

Tera East Midlands participates in The Pensions Trust Ethical Fund and The People's Pension which are defined contribution schemes and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Tera East Midlands also participates in the NHS Pension Scheme and the Nottinghamshire County Council Local Government Pension Scheme, which are defined benefit schemes. Contributions to the schemes 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 these schemes are set by the Government Actuary and a qualified Actuary respectively.

g) 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.

h) 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.

i) 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.

j) Parent charity and financial support

An Intra-Group Agreement exists between Tera Trust and twenty seven of its subsidiaries. This Intra-Group Agreement incorporates a Funding Agreement which allows Tera Group companies to benefit from the movement of funds around the Group. Each subsidiary, other than The Camden Society, Equal Futures and Tera Limited, has acceded to this Intra-Group Agreement with Board approval. In addition to this, Tera 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:

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

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

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

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.

4 Operating result

		2020	2019
		£	£
The result for the year is stated after charging:			
Auditor's remuneration	- audit	9,900	9,680
	- other services	1,980	1,940

Auditors' 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.

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

5 Employees

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

	2020 £	2019 £
Wages and salaries	7,966,795	7,146,382
Social security costs	533,510	469,873
Pension costs:		
Defined benefit	41,519	31,501
Defined contribution	140,174	90,395
	<u>8,681,998</u>	<u>7,738,151</u>

The pension contributions shown above differ slightly from those disclosed within the detailed pension note below as the figures above take into account recharges within the Thera Group whereas the detailed note below are the amounts relating directly to the employees of Thera East Midlands in each scheme.

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

	2020 Number	2019 Number
Direct and relief support work	506	476
Management and administration	10	10
	<u>516</u>	<u>486</u>

6 Directors' remuneration

	2020 £	2019 £
Directors' remuneration	74,075	90,489
Company contributions to pension schemes	2,223	2,703
	<u>76,298</u>	<u>93,192</u>

During the year retirement benefits were accruing to 2 directors (2019: 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 £84,286 (2019: £103,149). The company considers its key management personnel comprises the Managing Director and the Service Quality Director.

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

7 Taxation

	2020 £	2019 £
UK corporation tax at 19% (2019: 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 (2019: nil).

Factors affecting the tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

Result from ordinary activities before tax	490,711	55,211
Result from ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	93,235	10,490
Effects of:		
Tax credit from gift aid distribution	(93,235)	(10,490)
Total tax charge for the year	-	-

8 Debtors

	2020 £	2019 £
Due after more than one year		
Amounts owed from group undertakings	307,203	-
Due within one year		
Trade debtors	298,104	285,657
Other debtors	131,988	110,376
Prepayments and accrued income	291,017	180,839
	1,028,312	576,872

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

9 Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	4,117	4,868
Overdraft	(2,193)	-
	<u>1,924</u>	<u>4,868</u>

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts due to group undertakings	490,711	3,665
Bank overdraft	2,193	-
Trade creditors	37,115	27,188
Taxation and social security	186,842	128,750
Other creditors	73,205	69,308
Accruals and deferred income	242,363	352,829
	<u>1,032,429</u>	<u>581,740</u>

THERA East Midlands 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).

11 Creditors: amounts falling due after one year

	2020 £	2019 £
Amounts due to group undertakings	-	3,665
	<u>-</u>	<u>3,665</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 MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

12 Pension commitments

Pensions Trust Ethical Fund

Tera East Midlands 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 £125,999 (2019: £89,369). The amount outstanding in respect of this Scheme at the year-end was £nil (2019: £1,410).

The People's Pension Fund

Tera East Midlands participates in The People's Pension Fund which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £14,113 (2019: £nil). The amount outstanding in respect of this Scheme at the year-end was £nil (2019: £nil).

Local Government Pension Scheme

Tera East Midlands participates in Nottinghamshire County Council's Local Government Pension Scheme (NCCLGPS). The Scheme is funded and is contracted-out of the State Pension scheme.

Contributions payable during the period amount to £17,209 (2019: £20,484). The amount outstanding in respect of employer and employee contributions for this Scheme at the year-end was £Nil (2019: £ Nil).

As at the balance sheet date there were 5 (2019: 6) active members of the Scheme employed by Tera East Midlands.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes, and benefits are paid from total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS 102 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to address the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 31 March 2019 by a professionally qualified Actuary using the Projected Unit and Attained Age Methods. The market value of the Scheme's assets at the valuation date was £5,415 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £405 million, equivalent to a past service funding level of 93%.

The next triennial formal valuation of the Scheme is due as at 31 March 2022.

Tera East Midlands has not been notified by Nottinghamshire County Council of any estimated employer debt on withdrawal from the NCCLGPS. However, at the request of the Council, Tera East Midlands has put in place an on-demand bond to meet the level of risk arising in the event of insolvency, winding up or liquidation of the company, as assessed by the Council following actuarial advice. This bond is in the sum of £90,000, and has been provided by HCC International Insurance Company Plc.

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

12 Pension commitments (continued)

NHS Pension Scheme

For some employees, who have previously worked in the NHS, Thera East Midlands 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 £24,310 (2019: £11,016). The amount outstanding at the year-end was £nil (2019: £Nil).

Past and present employees are covered by the provisions of the two NHS Pensions Schemes. Details of the benefits payable and the 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, 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.

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 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 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.

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 its recent demographic experience), and to recommend the 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%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgement from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

THERA EAST MIDLANDS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

13 Related party transactions

In line with the exemption conferred by section 33.11(b) of FRS 102, Thera East Midlands 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 Midlands is included in Thera Trust's consolidated financial statements.

Richard Andrews, a director of Thera East Midlands, provides training/coaching services through his company Richard B Andrews Coaching. The amount invoiced in the year to Thera East Midlands amounted to £900 (2019: £1,500). As at the year end the amount owed by Thera East Midlands was £300 (2019 - £nil). Previously he worked as a Co-Facilitator in his role as an Executive Coach for Indigo Brave Partnership. The amount invoiced from Indigo Brave Partnership to Thera Trust during the year for training amounted to £nil (2019: £3,600). As at the year end the amount owed by Thera East Midlands was £nil (2019 - £nil).

14 Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting period (as per the income and expenditure account)	490,711	55,211
Gift aid distribution to parent charity	(490,711)	(55,211)
Interest receivable	(1,812)	(4,092)
(Increase)/ decrease in debtors	(451,440)	82,011
Increase/ (decrease) in creditors	448,496	(108,811)
Net cash used in operating activities	(4,756)	(30,892)

Changes in net debt

	At 1 April 2019 £	Cash flows £	Other changes £	At 31 March 2020 £
Cash at bank and in hand	4,868	(751)	-	4,117
Overdraft facility repayable on demand	-	(2,193)	-	(2,193)
Total cash and cash equivalents	4,868	(2,944)	-	1,924

THERA EAST MIDLANDS
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

15 Contingent liability

As with many other organisations in the sector, Thera East Midlands took part during the year in the Social Care Compliance Scheme in relation to the national minimum wage review by HMRC, from which there have been no adverse findings. Following a ruling by the Court of Appeal, Thera East Midlands took legal advice on this matter and the directors remain satisfied that current contractual and policy arrangements continue to comply with all relevant regulations as currently interpreted. The directors do not therefore believe it appropriate to make any provision in the 2020 financial statements in relation to this matter. Similarly, whilst the matter generally may be subject to further legal or regulatory rulings in the future, in the absence of any specific adverse finding and as there are no current specific challenges to Thera East Midlands' past practice, it is not possible to quantify any contingent liability relating to this matter.

16 Ultimate parent undertaking and controlling party

Thera East Midlands' 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.