

**THERA EAST**

**Registered No: 06795987**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH, 2023**



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**THERA EAST**  
**(A company limited by guarantee)**

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**INTRODUCTION**

**These papers tell readers what the company has been doing  
between April 2022 and March 2023.**

**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

Sarah Cast

Jennifer Garrigan

Thomas Harley

Chris Rheinberg

Sandy Sahota

Graham Skidmore

**SECRETARY**

Martin Pilkington

**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**  
**for the year ended 31 March, 2023**

**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, 2023.

**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:

Sarah Cast	(appointed 15 May, 2023)
Dries De Coster	(resigned 14 October, 2022)
Jennifer Garrigan	
Thomas Harley	(appointed 19 June, 2023)
Brenda McLoughlin	(resigned 15 October, 2022)
Paul Patarou	(resigned 9 November 2022)
Chris Rheinberg	(appointed 1 February, 2023)
Sandy Sahota	(appointed 14 September, 2023)
Graham Skidmore	
Lorna Weston	(appointed 12 January, 2023, resigned 22 May 2023)
Neil Yeomans	(resigned 11 October, 2022)

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, 2023**

**Directors and Strategic Report<sup>1</sup>**



chairman

**Chairperson's Report**

"This year has seen a focus on reviewing our activities and attracting new talent to the senior team. With Lorna Weston, Interim Managing Director's leadership and guidance, this has been a great success.

Graham Skidmore, Service Quality Director, with the support of his Executive Assistant, Bridie Stanford, has had real impact on the opportunity for people with a learning disability to have improved health outcomes through the delivery of Restore2mini and STOMP training.

We have reviewed our board and the skills needed to take the organisation forward. With the current recruitment campaign for additional non – executive directors, we are hopeful that we will be successful in recruiting additional board members.

It is well documented that the social care sector is under immense pressure with rising costs, limited funding and challenges in maintaining a skilled workforce. We are immensely grateful to our staff teams for their hard work through these difficult times.

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<sup>1</sup> 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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As Covid -19 restrictions ease, people are being supported to enjoy the things they used to do and to experience new activities and opportunities. I urge you to take the time to read people's own stories to see the impact our staff are having and to see how determined people are, as they grow and develop".

Jenny Garrigan

Interim Chairperson

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**What is Important for Thera East<sup>2</sup>**

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.

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<sup>2</sup> 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, 2023, Thera East was providing support to 202 people with a learning disability (208 - 31 March, 2022). Most of the work is intensive 24-hour support for people with moderate to complex support needs in their own homes in the communities we work in.

Throughout the year we have gradually seen our activities resume with the removal of restrictions that were in place during the pandemic. We have been able to support people to be part of their community again and see people enjoy long awaited holidays and trips that had been previously paused. Our support will always focus on keeping people safe and we will continue to work within the guidance produced and our policies for Infection Prevention Control and Respiratory Infections.

Although we are supporting fewer people than before the pandemic, we are now being able to support new people move into the homes of their choice with support that will enable them to become more independent and achieve their goals. It is expected that this will continue over the forthcoming year. The retention and recruitment of our workforce remains our main challenge and one for the social care sector as a whole. However, Thera East benefits from, and has also celebrated, the long service of many incredible staff who have dedicated their career to health and social care.

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It has been a privilege to support Thera East in the Interim Managing Director role over the latter part of the year. The dedication, resilience and commitment I have seen from the staff we employ must be acknowledged through what has been a challenging year. I would like to thank the Thera East Board and every single staff member we employ for your support as I welcome and handover to Sarah Cast as the new Managing Director who joined Thera East in May 2023. I know Thera East will continue to succeed in putting the people we support first in everything we do.

**Lorna Weston**  
**Managing Director**

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**for the year ended 31 March, 2023**



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.

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"Blake moved into his home over eight years ago as a young man. Since living there with support from Thera East, he has learnt the skills to manage his home and made friends and connections in the local town, as well as meeting his now fiancée. Blake came to his support staff last year and asked how he could move out, as he was ready to be more independent and wanted to live in his own place with his fiancée. Blake was supported to register with his local council for a new property in 2022 and has started bidding for places; however, he understands that it will be some time before he gets anywhere, as he is not an urgent priority to move.

In the meantime, his support team are helping him to build his independent living skills and learn how he will manage when he doesn't have support staff at home all the time. Staff have supported Blake to decrease his bills by offering ways to save on electric and to buy used items instead of new when he needs anything. Blake has been saving money to be able to afford any items he might need when moving. Staff are also supporting Blake to self-administer his medication, starting with just a few days, before moving to managing the whole week himself. Blake, his staff team and social worker are starting to think about what support he and his fiancée will need when

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they start living together, so they can creatively use their support hours to help them live the life they want together. Blake is very excited for his future and ready to start a new chapter”.

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“Stephen used to live with his mum in Ipswich, but when his mum had to move to a care home, he started to struggle living on his own. Despite some community support from Thera East, he had a lot of free time without support and got into difficulties with some local people who took advantage of his vulnerability, including him being robbed and becoming homeless for a period. He was also struggling to take care of himself and manage his health and personal care.

His social worker and circle of support, including Thera, realised that he needed to move away from Ipswich to get away from those bad influences and get some more support to regain control of his life. He was supported to move to his own flat in a different town in March 2022, where he had staff available 24/7 to support him, but he found the move very difficult initially. Routine was always and still is very important for Stephen, due to his autism, so it was a huge change in his life. This meant he struggled to settle in, and would often walk around for hours unsettled, or leave and say he was “running away” to try to go back to his old life.

His Community Support Leader at Thera East decided to try to help him get more settled by having a day to celebrate him and his move. She suggested

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the idea of a Welcome Party to Stephen and he loved it! He got involved in planning the party to welcome him to his new flat and celebrate how far he had already come. He and his support team included lots of things he enjoyed in the celebration, he picked the food he wanted and set up a stereo for 'DJ Stevo' to play his favourite CD's. They created a fun poster together for the event, and he chose who he wanted to invite. He was really excited for the party!

On the day, everyone who was invited came along, including people he used to know in Ipswich, his mum, social worker and new friends and support staff, and they all had a great time! His Community Support Leader gave an emotional speech about how far Stephen had already come and lots of people who knew him from before talked about the positive difference they could see and praised how well he was doing. Connecting the old with the new meant he did not feel isolated in the new surroundings.

This motivated him to carry on and push through difficult moments and so that day became a turning point for him, as he began to see that his support team were on his side. They worked with him over a long period to build up the confidence to go to the chiropodist and doctor, first just walking past the building, then going in just to say hello, until eventually he felt comfortable enough to be seen and get the care he needed.

He now returns to Ipswich for days to catch up with old friends, which is very important to him, but always wants to return home. He gets on well with his neighbours and has made lots of friends in his new town. He has built a good

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trusting relationship with his support team, who say that this is one of the biggest transformations they have seen. People that have known him previously say it's a completely different Stephen and, most importantly, he says himself that he's so happy now"

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"Joseph comes from a religious background, with his father having been a vicar, and his Christianity is an important part of his life and routine. He attends church each Sunday, with support, and plays an active role there, as well as attending other religious celebrations throughout the year. Whilst at church, Joseph sees his mother who also attends, and they enjoy lunch together afterwards. This is a very important part of Joseph's routine – he is happy and settled when he goes to church and is aware of what he needs to do.

Then, the Covid-19 lockdown hit, and everything changed. Joseph's usual activities stopped, which made him more anxious as he struggled to understand the changes to his routine and life and he showed his upset through his behaviour. His support team worked hard to help him adjust and cope as much as possible. They managed to find a safe way for him to still attend church, recognising how important this was for his mental wellbeing; but he had to get used to changes such as waving at people to greet them, instead of shaking hands. He managed to adapt to these with support but was very disappointed that the lockdown meant he could not go on his annual pilgrimage.

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Joseph has been attending pilgrimage in Lourdes, France for many years and remembers this as part of a routine he completes through the year. This was of course not possible due to the lockdown in 2020 and 2021 and he would ask about it regularly.

As soon as restrictions were lifted, there was no hesitation to book his trip! When he knew it had been booked, he relaxed, knowing that he could return to his routines and go back to something he loved. The trip had a big impact on his wellbeing – he seemed happier and more relaxed with his usual structure back in place. And the great news is that he is already booked to go again this coming August 2023!"

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"For the first time in three years, we came together for a celebration event at Essex Outdoors, Mersea in August 2022. Due to the Covid-19 pandemic, we haven't been able to celebrate our usual annual event, but this year we were thrilled to finally be able to come together again.

Essex Outdoors, Mersea is an outdoor adventure site on the coast and provided a day full of accessible activities which everyone could join in with, including those with physical disabilities. Some of these activities included rock climbing, high ropes, archery, hip hop dancing, arts and crafts and even a zipline.

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Whilst the sun shined on an action-packed day of activities, we carried on the celebrations with an awards event celebrating the successes of both staff and people supported by Thera East. Congratulations to all nominees, runners up and winners! To end the exciting day, we enjoyed a delicious BBQ and disco where we partied away into the evening.

The smiles on everyone's faces showed how much it meant to be able to get together again and celebrate with friends and colleagues. We hope to be able to make this an annual event again and are already planning the next one!" Graham Skidmore, Service Quality Director, said "I felt the day went really well and it was nice to see everyone enjoying the activities and seeing people in person again. I am so proud of all the staff and people supported in Thera East and what they have achieved."



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“Robert lived in lots of different places and struggled to find the right support for a long time. He spent three years in a secure hospital (although he was only supposed to be there for a year), where he was very unhappy and was restrained every day to try to control his behaviour.

*“It was really hard. In my life I couldn’t do anything. I couldn’t have a vape, I couldn’t smoke, I couldn’t go for a walk, I couldn’t go out, I was stuck and I was not happy there”.*

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Then Robert met Thera East and Thera Trust's Head of Positive Behaviour Support (PBS) who worked hard to get Robert out of hospital and into his own home. They talked to Robert about what sort of house he wanted and where he wanted to live.

His move was unfortunately delayed by a few months when the Coronavirus pandemic hit in March 2020, but he was finally able to move a few months later in July.

*"I have been in my own house, with support from Thera East, for two and a half years now. I go to the pub and go to watch my favourite football team West Ham sometimes. I go to a social club twice a week, which is where I met my fiancée. I choose now, I can do whatever I want.*

*I have my own house and I love it. I've got my own space. I decide what my house looks like and what I do. I had to bring my furniture from the hospital at first, but I've been gradually buying my own new furniture. I've got a better life now".*

Robert is in control of who supports him. Before he even left hospital, he talked to Thera East staff about who he wanted to support him – including someone who understood his passion for football and would support him to attend games for his favourite club!

Robert is now planning to start delivering training for Thera staff on his experience of being restrained and why restraint should be stopped.'

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*"I can tell people what happened to me. I can say that, the way everything is, you shouldn't have restraint.*

*People should not be in hospital. Restraint is hard – it should not be there. We are saying no – we do not want restraint"*

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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 2022-2023 has still been a year of challenges with transitioning into a balance of working from home and getting back out into the community to visit people we support and attending meetings in person. Our new adapted ways of working means that we use Teams to attend more meetings now than pre-Covid-19. This works well for us as we save time on travelling.

Bridie continued to support me as my Executive Assistant, and we have worked well together over the last year; we increased our days of working up to 3 days a week in August 2022 which has given us more time to dedicate to improving the quality of support.

We continue to stay well connected with other Service Quality Directors and Executive Assistants from across Thera Group 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. We have welcomed new Service

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Quality Directors and Executive Assistants to Thera over the year. We all trained to be Restore2mini/STOMP super trainers and facilitated training to staff in Thera East. We have been sharing the "Know your body" project in Thera East too.

We have held both virtual visits via MS Teams calls and visits in person to people we support. We have now created a visit log that we update on visits taken place by us and I Quality Company. This has been a great way to keep track of who we have seen or need to see. We arrange visits directly with the people supported and their staff team who have been communicating well with us to arrange the visits. Working an extra day a week has meant we have been doing a lot more visits since August 2022.

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.

Being Heard Hubs are back up and running again since Covid-19; these had to be temporarily stopped due to Government restrictions. The number of people attending the clubs has picked up more towards the end of the year. 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 set dates in advance of when I

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will be attending the hubs and share with people supported and staff so they have an opportunity to come and see me in person.

We had our Thera East celebration day in Mersea, it was great to all get back together in person again. We celebrated success and recognised people's achievements for both staff and people we support. I had a table full of information about different support services and opportunities available to people we support, staff and family.

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 and also due to staffing challenges and management changes.

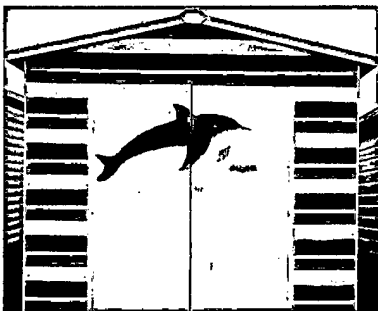
Supporting people into employment has always been a key area of focus. We have seen a rise in interest since our last report in people supported starting voluntary or paid work. This is mostly due to the lifting of covid-19 restrictions and people getting back out to work with businesses re-opening. We support people to use the employment booklets we created. The Paths2Job group was combined with the work that Bev has been doing around the people's strategy.

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We have an active company membership in Thera East. Our Annual General Meeting was held on 21<sup>st</sup> March 2023. We met in person for the first time in many years. 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 have been working with Sara Danby and Andrew Bright, joint Thera Group Lead Director for Quality and Involvement, alongside the other Service Quality Directors and Executive Assistants, to improve membership and how we promote this to encourage more members to join and become active.

The new Learning Management System for training has been difficult to use to do my e-learning on but we have worked with the Learning and Development Team to find a solution and adapt it slightly to work for me.



The 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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We opened the hut again March 2021 for people we support and the public to hire. We had lots of people from the local community hire the hut but not as many people we support as we had hoped, some of the feedback was that many people didn't have the staff to get them out. Visits to people we support towards the end of the year seemed more promising with more people we support and staff saying they would be attending for the summer of 2023.

We have faced challenges this year coming out of the pandemic, but Thera East are now moving in a positive direction with increased staffing levels and lots of exciting things planned for the year ahead"

**Graham Skidmore**  
**Service Quality Director**

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staff

**Thera East Employs Good Staff**

At the end of the year, Thera East employed 485 people (2021–22 - 511), 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 T'era'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.



**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 2022-23 was £13.9m. (2021-22 £13.6m.). The relatively small increase after price inflation reflects fewer people supported and fewer hours of support during the year.

The loss for the year was £-1,068k (2021-22 gain of £426k). Challenges with staff recruitment and retention is the main cause of the loss for 22/23 with additional costs arising from the use of agency workers and costs related to higher staff turnover, including increased expenditure on recruitment advertising.

At 31 March, 2023, the company had total net overdrawn reserves of £-642 k (31 March, 2022 £Nil). As explained in the parent charity and financial support accounting policy within the accounts, as part of the intra-group funding agreement, all those Thera group entities signed up to the agreement will provide support to any other entity as necessary, including not requiring the immediate repayment of intra-group debt. In addition, the

**THERA EAST**  
**(A company limited by guarantee)**

**DIRECTORS' AND STRATEGIC REPORT**  
**for the year ended 31 March, 2023**

directors are confident that, due to growth and development within the annual plan for 2022-23, this will ensure the company returns to making a surplus enabling it to continue paying down the intra-group debt. For this reason, the directors have prepared the accounts on the basis that the company is a going concern.



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 Care Quality Commission 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 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 complex 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.

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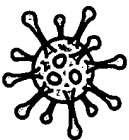
**DIRECTORS' AND STRATEGIC REPORT**  
**for the year ended 31 March, 2023**

Like all care and support 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 longterm 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.

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, 2023. Throughout the year Thera East has gradually resumed its activities which had previously seen a disruption or had been curtailed during the various restrictions brought on by the pandemic. During the year, Thera has maintained and constantly reviewed policy and

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**DIRECTORS' AND STRATEGIC REPORT**  
**for the year ended 31 March, 2023**

guidelines in line with legal and regulatory requirements. Sufficient supplies of personal protective equipment were maintained throughout the year. Governance, management and administrative activity was facilitated and maintained with access to online meeting facilities and a much welcomed ability to resume face to face contact.

Although the number of people Thera East supports has reduced over the year its areas of work have resumed to support people in their own homes in the community. There has been no material 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 support.

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 other respiratory infections and respond accordingly as necessary.

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**DIRECTORS' AND STRATEGIC REPORT**  
**for the year ended 31 March, 2023**

**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, 2023**

**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 29 November 2023 and signed on its behalf.



**Martin Pilkington**  
**Secretary**

**THERA EAST**  
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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 2023 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, 2023 and of its loss 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.

**THERA EAST**  
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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

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

<b>This page explains how the Auditor checks the accounts.</b>
--

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**  
**(A company limited by guarantee)**

**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

**THERA EAST**  
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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](http://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)**

**19 December 2023**

**for and on behalf of Sayer Vincent LLP, Statutory Auditor**

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

**THERA EAST**  
**(A company limited by guarantee)**

**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, 2023**

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

Money we got in	13,946,368
What we spent on our staff	(10,443,130)
Other money we spent	<u>(4,571,000)</u>
Money we spent more than money we got in	<u>(1,067,762)</u>

**What Thera East has at 31 March, 2023: £**

How much cash we had in the bank	77,556
What we are owed by others	2,429,108
What we owe to other Thera companies	(2,005,991)
What we owe to others	<u>(1,142,192)</u>
Final amount the company had at 31 March, 2023	<u>(641,519)</u>

**THERA EAST**  
**(A company limited by guarantee)**  
**INCOME AND EXPENDITURE ACCOUNT**  
**for the year ended 31 March 2023**

	Note	2023 £	2022 £
Turnover	3	13,890,245	13,590,593
Direct costs		(12,277,074)	(10,860,352)
<b>Gross surplus</b>		<b>1,613,171</b>	<b>2,730,241</b>
Administrative expenses		(2,648,048)	(2,438,579)
<b>Operating result</b>	4	<b>(1,034,877)</b>	<b>291,662</b>
Exceptional Covid-19 Income		56,123	721,551
Exceptional Covid-19 expenditure		(83,459)	(633,810)
<b>Operating result after Covid-19 items</b>		<b>(1,062,213)</b>	<b>379,403</b>
Interest (payable) / receivable on intra-group borrowings		(5,549)	46,840
<b>Result from ordinary activities before taxation</b>		<b>(1,067,762)</b>	<b>426,243</b>
Taxation on result on ordinary activities	7	-	-
<b>Total comprehensive income</b>		<b>(1,067,762)</b>	<b>426,243</b>
<b>Retained earnings</b>			
Retained earnings at the beginning of the year		-	-
Total comprehensive income for the financial year		(1,067,762)	426,243
Gift aid distribution to parent charity		426,243	(426,243)
<b>Retained earnings at the end of the year</b>		<b>(641,519)</b>	<b>-</b>

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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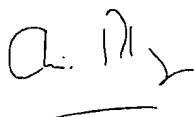
**BALANCE SHEET**

**as at 31 March 2023**

COMPANY REGISTRATION NUMBER 06795987

	Note	£	2023 £	£	2022 £
<b>Current assets:</b>					
Debtors	8	2,855,351		3,241,789	
Cash at bank and in hand		77,556		52,774	
		<u>2,932,907</u>		<u>3,294,563</u>	
<b>Current liabilities:</b>					
Creditors falling due within one year	9	(1,142,192)		(1,552,657)	
<b>Net current assets</b>			<u>1,790,715</u>		<u>1,741,906</u>
<b>Total assets less current liabilities</b>			<u>1,790,715</u>		<u>1,741,906</u>
<b>Long term liabilities:</b>					
Creditors falling due after more than one year	10		(2,432,234)		(1,741,906)
<b>Net assets</b>			<u>(641,519)</u>		<u>-</u>
<b>Reserves</b>					
Retained earnings			(641,519)		-
<b>Total reserves</b>			<u>(641,519)</u>		<u>-</u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on 29 November 2023.



**Christopher Rheinberg**  
Director



**Jennifer Garrigan**  
Director

**THERA EAST**  
**(A company limited by guarantee)**  
**STATEMENT OF CASH FLOWS**  
**for the year ended 31 March 2023**

	2023 £	2022 £
Total comprehensive income	(1,067,762)	426,243
Interest receivable	-	(46,840)
Interest payable	5,549	-
Gift aid distribution to parent charity	426,243	(426,243)
Decrease / (increase) in debtors	386,438	(1,221,379)
Increase in creditors	279,863	1,283,846
<b>Net cash provided by operating activities</b>	<b>30,331</b>	<b>15,627</b>
<b>Cash flows from financing activities:</b>		
Interest received	-	46,840
Interest payable	(5,549)	-
<b>Net cash (used in) / provided by financing activities</b>	<b>(5,549)</b>	<b>46,840</b>
<b>Net increase in cash and cash equivalents</b>	<b>24,782</b>	<b>62,467</b>
Cash and cash equivalents at the beginning of year	52,774	(9,693)
<b>Cash and cash equivalents at the end of year</b>	<b>77,556</b>	<b>52,774</b>

**THERA EAST**  
**(A company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**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 2023 (2022: 31 March 2022).

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**  
**(A company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**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 seven 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:

**THERA EAST**  
**(A company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**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**

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 £56,123 (2022 - £721,551).

**THERA EAST**  
**(A company limited by guarantee)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2023**

**4 Operating result**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
The result for the year is stated after charging:		
Auditor's remuneration - audit	<b>11,670</b>	10,610
- other services	<b>2,320</b>	2,120

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:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>9,477,329</b>	9,461,560
Social security costs	<b>778,579</b>	714,827
Pension costs:		
Defined benefit	<b>5,626</b>	5,613
Defined contribution	<b>181,596</b>	181,096
	<b>10,443,130</b>	10,363,096

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:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Direct and relief support work	<b>491</b>	531
Management and administration	<b>10</b>	11
	<b>501</b>	542

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**6 Directors' remuneration**

	2023 £	2022 £
Directors' remuneration	129,485	86,255
Company contributions to pension schemes	2,908	2,598
	<u>132,393</u>	<u>88,853</u>

During the year retirement benefits were accruing to 2 directors (2022: 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 £145,199, (2022: £98,364). The company considers its key management personnel comprises the Managing Director and the Service Quality Director.

**7 Taxation**

	2023 £	2022 £
UK corporation tax at 19% (2022: 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 (2022: nil).

**Factors affecting the tax charge for the year**

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

Result from ordinary activities before tax	(1,067,762)	426,243
Result from ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	-	80,986
Effects of:		
Tax credit from gift aid distribution (now relieved through loss carry back)	-	(80,986)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**8 Debtors**

	2023 £	2022 £
Trade debtors	1,153,253	1,471,751
Other debtors	48,042	98,506
Prepayments and accrued income	1,227,813	1,671,532
Amounts owed from group undertakings	426,243	-
	<u>2,855,351</u>	<u>3,241,789</u>

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**9 Creditors: amounts falling due within one year**

	2023 £	2022 £
Amounts due to group undertakings	-	426,243
Trade creditors	99,048	54,613
Taxation and social security	193,078	235,771
Other creditors	504,969	511,665
Accruals and deferred income	345,097	324,365
	<u>1,142,192</u>	<u>1,552,657</u>

**10 Creditors: amounts falling due after one year**

	2023 £	2022 £
Amounts due to group undertakings	2,432,234	1,741,906
	<u>2,432,234</u>	<u>1,741,906</u>

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

**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 £181,597 (2022: £181,096). The amount outstanding in respect of this Scheme at the year-end was £842 (2022: £418).

**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 £23,934 (2022: £23,210). The amount outstanding at the year end was £nil (2022: £nil).

Past and present employees are covered by the provisions of the NHS Pension Scheme(s) relevant to their membership. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at: [www.nhsbsa.nhs.uk/pensions](http://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.

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**11 Pension commitments (continued)**

**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 (FRoM) 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 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FRoM 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 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 actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

**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 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.