

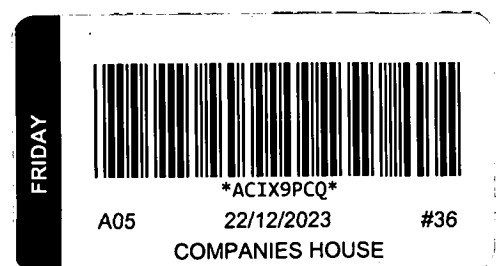
THERA SOUTH WEST

Registered No: 06797328

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023



THERA SOUTH WEST
(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

Graham Belgum

Rohan Byles

Estelle Christmas

Simon Conway

Christopher Evans (Chairperson)

Peter Hawkins

Pamal Sharma

Susan Wotruba

COMPANY SECRETARY

Martin Pilkington

COMPANY NUMBER

06797328

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' 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 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 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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- 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 South West of England.

DIRECTORS

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

Christopher Evans (Chairperson)

Graham Belgum

Rohan Byles

Estelle Christmas (Managing Director) (appointed 15 May 2023)

Simon Conway

Jane Feierabend (Managing Director) (resigned 14 April 2023)

Peter Hawkins

Samuel Holman (Service Quality Director) (resigned 12 August 2022)

Pamal Sharma (appointed 2 November 2023)

Susan Wotruba

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

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welcome

CHAIRPERSON'S INTRODUCTION

On behalf of Thera South West's board, I am delighted to introduce our annual report and accounts for 2022-23.

Thera is committed to supporting adults with a learning disability to live as independently as they can. Our vision, set out in full at the beginning of the report, puts people with a learning disability at the heart of the way the company is run.

This report shows how we have provided that support in 2022-23, and looks ahead to the rest of 2023 and beyond. At the end of March 2023, we were supporting 128 people, many with complex needs. As in previous years, the report contains some stories by, or about, individuals we support, showing how we have helped them to live a great life. And the report also gives examples of 'fun days' and other collective events and activities for people we support and others, demonstrating the value of engagement and celebration.

As recorded in last year's report, our Service Quality Director, Sam Holman, resigned in August 2022. Our Managing Director, Jane Feierabend, retired in April 2023. Our Company Secretary, Tarnya Thompson, resigned in June 2023. I should like, on behalf of the board and others, to thank all of them for their valuable contributions to the work of Thera South West, and to wish them well for the future. At the time of writing we continue to seek to recruit a new Service Quality Director. We were pleased to welcome our new Managing Director, Estelle Christmas, who joined us in May 2023. Martin Pilkington was appointed as Company Secretary in September, 2023.

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The board looks forward to continuing to work with Thera colleagues and supporting Thera's values in the year ahead.

Christopher Evans

Chairperson

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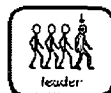
DIRECTORS' REPORT

What is Important for Thera South West¹

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

www.thera.co.uk



Supporting people with a learning disability

¹Thera 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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In this report, we show some of the ways in which we have followed that vision. First, we have included some stories that show the impact of our work for the people we support.



stories

+ Stories from the people supported by Thera South West

A more active life for Simon, Claire and David

In October 2021, Thera South West started to support five people who live together in Exeter. When we first met everyone, we found that they were struggling with not doing very much with their days – this was of course inevitable during the Covid-19 lockdown, but as restrictions started to ease, they had not been being supported to get out and about again. Most of their support was provided by agency workers who didn't know them very well, which made it difficult to do any planning with them about activities and future goals.

Over the next few months, Thera worked to get to know each person and work with them to recruit a regular staff team. We then reviewed previous support plans and spoke to the individuals and their families to find out what people enjoyed doing. Lots of ideas followed, including hydrotherapy, swimming, gym and voluntary work, as these stories show.

The support team found out that Simon used to go to hydrotherapy. As he was in a wheelchair and had high muscle tone, it was important for him to get physiotherapy and his physiotherapist recommended hydrotherapy. We arranged training for staff on how to take Simon safely to hydro. By April, the team was trained, and they were able to take Simon for his first hydro session

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in several years. He loved going back and now enjoys going each week – now a year later he still gets excited on the morning he's due to go!

When the support team looked at what Claire used to do, they found out that she used to go swimming, but hadn't been in 15 years! Claire's physio recommended that swimming and going to the gym would be beneficial for her, so the support team worked with her to try these. Before Claire went swimming again, her team supported her to practise using the steps as she would need to use these at the pool they she would go to. When Claire got back in the pool, she had lots of fun for the first few weeks. After a while however, the novelty wore off and she decided she didn't want to keep going.

Instead, Claire was helped to go to the gym. She started going to a small local gym specially aimed at people with a learning disability. This allowed her to work out, as well as to meet people and to enjoy the social aspect of getting out and about. Claire started off with one day a week with a family member and now goes once with them and once with her support team. She loves to work out and chat to her friends there – they even enjoy a bit of friendly competition on the treadmills!

As other tenants started to get out and about more, David was still not doing much during the day and seemed bored. The Community Support Leader (CSL) had a chat to him about what he might like to do. David liked the idea of doing some voluntary work. His CSL had a link with a local charity shop and so supported him to get in touch with them and see if he could volunteer there.

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He began working there every Tuesday and Friday and loves it! A support worker comes along with him to help him build his confidence and learn the tasks he has to do. David tells everyone about what he's done that day when he comes home. He enjoys working with the kind and friendly people at the shop and is proud that he is making a difference in his local community.

In the future, he is interested in getting a paid job and his next step is to get some voluntary experience in a different role, working at a local garden centre to produce different items to sell to the public. He is gaining more confidence with every opportunity and is now enjoying how he spends his time.

Dominic playing sports and meeting people

Dominic is supported by Thera South West at his home near Totnes. As we started to come out of the Covid-19 lockdown and activities were re-starting, his support team looked around for opportunities for Dominic to get out and about again and get moving. They found out about a group at the local leisure centre for people with a learning disability, which includes a football session in the morning, lunch at the leisure centre café, followed by basketball in the afternoon.

Dominic is not usually very sociable and likes quiet environments and doing things by himself, but he also enjoys kicking a ball around the garden, so his support team thought it was worth a go. He doesn't use verbal communication, so he couldn't tell them what he thought of the idea in advance, but they used pictures to show him the activities beforehand and to help him prepare. Dominic started going in April 2022 and he took to it very quickly. "We have

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struggled to find things in the past that he wanted to participate in, so we were gobsmacked at how much he enjoyed it!" said his Community Support Leader.

Dominic's support team had never seen him run before, but he runs around the whole time he is there, happy to participate in the activities with a big smile on his face. After just two months of playing basketball, in June 2022, he won player of the month! He still has support at the leisure centre, but his support worker is 'benched' most of the time and just watches from the side-lines! A big milestone for Dominic as he often lacks confidence and needs his support worker close by to give lots of encouragement. This has empowered him to be as independent as he can in activities and social interactions.

Spending time in these busier environments has helped Dominic build more coping strategies that have helped him be able to get out and about in more places too. He has learnt about mixing with people and being with his peers and making friends.

He attends with another tenant and has also met lots of new people there and enjoys catching up with them each week. In particular, he has become good friends with Phil. He didn't used to interact much with others, or have any friends, so this is a big deal for Dominic. His support team say that he is illuminated when they are together, laughing, doing high fives and fist bumps. They now meet up to go bowling most weeks (another busier place he has learnt to cope with) and go to the park together for a kick around, joined by Dean, another of the tenants who shares with Dominic .

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His support team say this is the best thing they've ever done with him, and they are really proud of him.

Life after college for Levi, Katy and Lucy

Thera South West supports a group of young people in Exeter who all finished college in summer 2022. This was a big change for everyone, and the support team helped them to adjust to the change of routine and give them the emotional support needed through this big transition. They then worked with each individual to think about what they wanted to do next and explore new ways to learn and build their skills. Everyone is keen to get a paid job in the future, and their support teams are helping them to explore what they enjoy and find new learning opportunities.

The support team break down each person's goal into lots of small steps and think about how to overcome any obstacles, risks and challenges. They also work closely with families, who are getting used to seeing their children as adults making their own choices in life. The support team use social stories to help people prepare for new activities and to connect them to other local support, such as job coaching and travel training, to enable them to work towards their goals.

Levi was really keen to get a job in a café, so in January 2023 her Community Support Leader Jo helped her to write a simple CV and drop it into local cafes. They spent time in the cafes to help Levi think about where she wanted to work and what the role involved. She was then offered a work trial and was supported to attend this.

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The trial was a success and she started working there in February, doing a two-hour shift on a voluntary basis, to enable her to build her skills in a real café environment.

Initially, her support team were working alongside her in the café to help her learn the role, and then they would just sit in the café so they were nearby when needed, but as her confidence grew more she decided she didn't need them there at all anymore. They now support her to travel there and then she works there herself, as one of the team. Next, she wants to build up her skills and confidence to travel to work independently.

Katy has a voluntary job with Devon County Council working in an office-based role. She has had this for a number of years, including throughout the pandemic, when she had to learn to work from home. Her support team work alongside Katy and her job coach at the council to support her to do the role, for example helping her to manage her anxiety around doing new things, planning and sourcing any other support and learning she needs.

In 2023 she wanted to go back to working in the office, so her support team found some travel training to help her learn how to use the bus independently and then helped her practice by accompanying her on some trips while she built her confidence. She has now started going back into the office to work and gets the bus into work on her own.

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Since graduating, Lucy has been exploring different activities in her local community, in particular different learning opportunities to help her achieve her goal of a paid job in future. Her support team are helping her to build her confidence with deciding what she wants to do and speaking up about it! She continues to enjoy volunteering at the college she used to attend and at a local National Trust property, as an administrator. She is now looking at a new course at the local university to develop her administration skills to support these roles and pave the way for further qualifications in future.

Read more about Lucy's graduation here: <https://www.thera.co.uk/news/lucy-celebrates-graduation-from-lifeworks-college/>

Margaret raises funds for guide dogs

Margaret attends the Shine Friendship Café set up last year by support worker Lynn (as reported in the 2021-22 Annual Report). She decided to raise funds for Guide Dogs for the Blind, as she has a friend who has a guide dog. She set up a weekly table at the café to sell her completed jigsaws.

She had lots of positive comments from people about her fundraising and she managed to raise over £70. She has received a personal thankyou in the post from a local representative of the charity who has also promised to visit Margaret at Shine with some furry friends who will need some serious cuddles! Margaret feels really good about her achievement and seems to be more confident as a result of doing this. She is continuing her fundraising and looking forward to raising more money.

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Other stories

More stories about the wide range of activities and achievements of the people we support can be found on the Thera South West Facebook page <https://www.facebook.com/therasouthwest/>, and in stories/ blogs on the Thera Trust website <https://www.thera.co.uk>.

Impact and quality of the support provided

The stories above give examples of the impact that our work can have. This section looks at how we have checked the quality and impact of our support more generally.

Our *Service Quality Director* got to know the people we support and kept in touch with them. During the Covid-19 pandemic he had had to rely on telephone or video calls to people supported to seek their views and check the quality of their support. But with the pandemic subsiding he was able to resume face-to-face visits .

The Quality Company (part of the Thera Group and a member of the Association of Quality Checkers) checks our support to make sure that people with a learning disability are living their lives as they choose. People with a learning disability are at the centre of what The Quality Company does. It employs people with a learning disability to carry out the quality checks, with support from a quality supporter, who enables them to fulfil their role. The reports were reviewed by our Managing Director and Service Quality Director.

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We then worked with Thera South West's operational teams to improve outcomes required and to share any lessons learnt. The Quality Company's programme focus included the health and wellbeing, and community involvement, of the people we support. Overall, our quality scores were high and recognised the hard work of our teams.

Thera Trust's Operational Assurance Team also complete annual and monthly themed operational audits; for these we have been scored as 'working well'. Our operational managers and community support leaders also complete monthly self-audits. We review quality and operational assurance at all levels of meetings through our Health and Safety Committee and board level.

Thera South West is registered with the Care Quality Commission ("CQC"), the independent regulator of social care for England and Wales. The CQC inspect all health and social care providers to make sure they are meeting the fundamental standards of care. At an inspection, the CQC team speaks to the people we support, their family, carers and staff and ask important questions about the support we provide. Our overall rating is 'Good'. The CQC recognises as important that one of our director roles is held by a person with a lived experience of learning disability to make sure that the board always focuses on the needs of the people we support.

Leadership by people with a learning disability

People with a learning disability are employed as directors and in a number of other posts within Thera. These included Sam Holman, who was the Service

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Quality Director for Thera South West until August 2022. As Service Quality Director his role included taking the lead on the quality of the support provided and making sure that the people supported have their views heard. He has since moved to another role within the Thera Group, as a quality assessor in The Quality Company. At the time of writing, we are seeking to recruit a new Service Quality Director.



People who are supported by Thera lead the design and delivery of their own support – see, for example, the stories earlier in this report.

People supported by Thera also have influence on how their Thera company is run. In particular, they can become company members (along with family members and members of staff) and be consulted on issues that affect the organisation. Having held our Annual General Meeting for company members by video link in the previous two years because of the covid-19 pandemic, we were pleased to be able to hold the meeting in person again in March 2023. The meeting reviewed Thera South West's activities and achievements and had the opportunity to comment on plans for the future.

Support provided

In 2022-23, as in previous years, Thera South West continued to focus on supporting people to live as independently as possible within their own homes and communities, including being in paid or voluntary work, or at college. Most of Thera South West's work is intensive 24-hours support in their own homes for people with complex needs, with a small number of people supported in the community.

At the end of March 2023, Thera South West was supporting and enabling 128 people. 108 people were being supported 24-hours a day and 20 people were

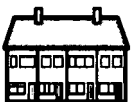
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provided with varying amounts of community support to help them to access their local community or for help with different aspects of their daily lives to enable them to continue living independently.

During 2022-23, Thera South West started to support seven new people, six with 24-hour support and one in their local community. Sadly though, three people we supported died due to ill health during the year. We offer our condolences to their friends, families and staff teams.

After the changes in activities and ways of working in the previous two years as a result of the Covid-19 pandemic, it was a relief to be able to resume more face-to-face contacts and activities in the course of 2022-23. We did of course remain conscious of the need for infection prevention and control, with people and staff supported and encouraged to get their Covid-19 booster and flu vaccinations arranged in the autumn.

A number of RESTORE2™ Mini training sessions took place during the year. This training has been designed to help carers to communicate with health professionals about the early signs of an individual becoming unwell. It is aimed at getting the right help for the person they support sooner and building carers' confidence in communicating with health professionals.



Housing

housing

Thera South West continues to work with another Thera company, Forward Housing, as well as with registered social landlords and other housing partners. We continue to have the capacity to call upon Forward Housing to

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facilitate help more people in our area find somewhere to live that meets their needs and for Thera South West to support them .

During 2022-23, three people supported by Thera South West in Wiltshire moved into their first home over the county border in Torquay and the local team worked with them to achieve this their families and social workers after living with their parents. Three other people we support moved into a bungalow in Salisbury, two others into new shared homes in Wiltshire and another into a new home in Devon.



Thera South West Employs Great People

staff

At the end of the year, Thera South West employed 309 staff, the majority of whom are support workers.

Our support teams are key to delivering great quality support and to ensuring the individuals supported by Thera South West are heard and live the lives they choose. As a company we take great pride in our staff's passion, commitment and personal achievements and the resulting positive impact on the individuals we support.

Retention and recruitment remained challenging in 2022-23. As we said in last year's report, this was partly as a result of many people reassessing their priorities, aspirations and work life balance as the country started to open up following the worst of the pandemic. The ensuing staffing shortage was a wider issue in both health and social care and other sectors and for Thera South West resulted in the need to use agency workers in certain staff teams.

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There is a high level of competition for prospective new staff within the social care sector and from other non-sector employers. As an organisation we have continued to make recruitment and retention a main operational focus to secure more great staff for the people we support and reduce the longer-term financial impact of the increased cost of agency workers.



We remain 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.

As noted earlier in this report, staff are able to engage formally with the organisation as company members alongside people supported and family members. Staff also elect representatives to the company's Employee Consultative Council ('ECC'), now known as 'Staff Voice', a sub-committee of the Board, providing a direct line of communication between directors and the workforce. Staff Voice 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 ECC is the formal mechanism for ensuring that Thera South West involves staff in decisions that affect them, as well as meeting its obligations under Information and Consultation Regulations, 2004, for example in relation to changes to pay, terms and conditions. The ECC meets quarterly.

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Staff are engaged informally in a variety of other ways - for example through annual staff surveys, speaking with senior managers and board members when they visit the people we support and at local events, and by contributing, alongside people supported and their families, to the company's plans.

It is important to welcome and listen to our new staff and to share our vision and what is important to us, so we continued to host regular 'Welcome To Thera' sessions and meet new staff. Our human resources business partner also completed check-in sessions with new staff at regular intervals to gain feedback and to be proactive in helping to understand if we could improve the induction phase of people's employment.



Thera South West'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 South West's Articles of Association and applicable law.

Turnover in 2022-23 was £9.8m (2021-22 £9.0m.). The company made a deficit of £392k for the year compared to just breaking even in the previous year. This reflects, in particular, the extra cost of agency workers who continued to be needed in the light of the staffing situation referred to above, and the shortfalls in income and additional cost of vacant tenancies in some properties where Thera South West provides support to tenants. The company continues to address these issues in 2023-24.

As a result, the company had total net overdrawn reserves of £-470 k (31 March, 2022 £-78 k). As explained in the parent charity and financial

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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 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 South West's Risk

The key risks which are inherent in the nature of our work include the abuse or neglect of vulnerable people, a failure to comply with the CQC Essential Standards or other regulatory requirements, a failure to realise Thera's vision, a loss of contracts and a loss of key staff. As the wider economy has deteriorated and labour markets tightened, Thera South West'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 South West operates continues to experience funding challenges as commissioners attempt to reconcile increasing demand within a tighter funding environment. This has so far had a lower level of impact on Thera South West's activities of supporting adults with a learning disability in the main who have a substantial assessed need. Accordingly, these individuals are at a lower risk of having their support reduced because of funding challenges, although it remains a challenge in

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some cases to secure appropriate 1-1 social activity hours for individuals in shared houses which we actively pursue in the best interest of the individuals.

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

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

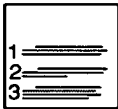
The Directors have assessed and monitored the major risks to which Thera South West may be exposed through a risk management strategy. Other than those sector risks outlined above, there were no material strategic changes within the organisation during the year that are perceived to expose the organisation to additional material risk. The board continues to monitor the external regulatory, funding and employment law environment closely. Directors are satisfied that systems are in place to minimise in incidence and impact of risk to the extent to which these are in the control of Thera South West.

In addition, Thera South West'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

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Health and Safety Policy. A risk management strategy is in place that includes annual review of the Health and Safety Plan.

Our Plans for 2023 onwards



plan

In last year's report we recorded the key themes of our strategy for 2022 to 2025. The themes are

1. Living a Great Life – The People We Support:

- *building emotional resilience, confidence, opportunities and choice*
- *comprehensive matching of people supported and their support workers*
- *a community mapping project plann*

2. Our Workforce:

- *improved recruitment and retention*
- *better engagement and reward*

3. TSW Organisation and Community:

- *demonstrating and increasing impact outcomes*
- *awareness and supporting more people*
- *increased outputs and impact from company membership*

4. Governance

- *board development and involvement*

The board has reviewed and confirmed these themes and we have continued to develop and implement more detailed plans to reflect them. We have also consulted people concerned on the plans, including company members at our most recent annual general meeting in March 2023.

Engagement and celebration

Engagement with all stakeholders has remained important to us in 2022/23. Earlier in this report we mention some of the ways in which we have engaged

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with the people we support – in enabling individuals to design their support, and through company membership – and with our staff.

Engagement can also be about celebration and having fun. We began this section of our annual report with some stories about how individuals have been supported to have a great life. We conclude it with some collective celebrations which have helped to bring people Thera supports and others together.

A number of activities, celebrations and competitions were held to mark Easter, the Queen's Platinum Jubilee and Christmas.

We also held two successful 'Fun Days' for people supported by Thera and their support staff.

The first was held at the fascinating Fleet Air Arm Museum in Yeovilton, Somerset. The event was well attended and activities included drumming, karaoke, a raffle, visits to some 'petting' animals and simply chatting to each other and eating ice creams in the sunshine.

This was followed by a similar event in September in the beautiful surroundings of Powderham Castle in Devon. This event, too, was well attended and much enjoyed.

At our annual general meeting in March, company members were keen that events such as the Fun Days should continue, and they have done so in 2023/24. They help to achieve our objective of enabling the people we support

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to have a great life – and also connecting people and showing each other what can be achieved.

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<p style="text-align: center;">This section explains that the directors have told the Auditor everything they should and that they have worked within the law.</p>

DISCLOSURE OF INFORMATION TO THE 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' REPORT

**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 re-appointment of Sayer Vincent LLP as auditor of the Company.

The directors' report has been prepared in accordance with the special provisions applicable to company's subject to the small companies' regime.

Approved by the Board of Directors on 23 November, 2023 and signed on its behalf.



Martin Pilkington
Secretary

THERA SOUTH WEST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

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 South West (the 'company') for the year ended 31 March 2023 which comprise the income and expenditure account, 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 SOUTH WEST

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

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 South West's ability to

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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, 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 SOUTH WEST

**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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' annual 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.

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

- 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' annual report and from the requirement to prepare a strategic report.

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 liquidate the company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

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.**

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

This page explains how the Auditors check the accounts.

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, internal audit and the audit committee, 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 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA SOUTH WEST

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

You will see that this report and accounts also includes accessible information so that the directors of Thera South West 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 SOUTH WEST
(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 get in	9,927,261
What we spent on our staff	(7,283,567)
Other money we spent	<u>(3,035,953)</u>
Money we spent more than money we got in	<u>(392,259)</u>

What Thera South West has at 31 March, 2023: **£**

How much cash we had in the bank	63,217
What we are owed by others	855,212
What we owe to other Thera companies	(941,413)
What we owe to others	<u>(447,250)</u>
Final amount the company had at 31 March, 2023	<u>(470,234)</u>

THERA SOUTH WEST
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INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	3	9,831,747	8,993,266
Direct costs		(8,578,768)	(7,427,399)
Gross surplus		1,252,979	1,565,867
Administrative expenses		(1,707,085)	(1,531,296)
Operating result	4	(454,106)	34,571
Exceptional Covid-19 Income		95,514	248,591
Exceptional Covid-19 expenditure		(30,218)	(292,481)
Operating result after Covid-19 items		(388,810)	(9,319)
Interest (payable) / receivable on intra-group borrowings		(3,449)	8,927
Result from ordinary activities before taxation		(392,259)	(392)
Taxation on result on ordinary activities	7	-	-
Total comprehensive income		(392,259)	(392)
Retained earnings			
Accumulated deficit at the beginning of the year		(77,975)	(77,583)
Total comprehensive income for the financial year		(392,259)	(392)
Gift aid distribution to parent charity		-	-
Accumulated deficit at the end of the year		(470,234)	(77,975)

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

All of the above activities relate to continuing operations.

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BALANCE SHEET

as at 31 March 2023

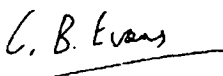
COMPANY REGISTRATION NUMBER 06797328

	Note	£	2023 £	£	2022 £
Current assets:					
Debtors	8	855,212		966,169	
Cash at bank and in hand		63,217		79,831	
		<u>918,429</u>		<u>1,046,000</u>	
Current liabilities:					
Creditors falling due within one year	9	(447,250)		(596,382)	
				<u></u>	
Net current assets			<u>471,179</u>		<u>449,618</u>
Total assets less current liabilities			<u>471,179</u>		<u>449,618</u>
Long term liabilities:					
Creditors falling due after more than one year	10	(941,413)		(527,593)	
			<u>(470,234)</u>		<u>(77,975)</u>
Net liabilities			<u>(470,234)</u>		<u>(77,975)</u>
Reserves					
Retained earnings			<u>(470,234)</u>		<u>(77,975)</u>
Total reserves			<u>(470,234)</u>		<u>(77,975)</u>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and signed on its behalf on 23 November 2023.


Simon Conway
Director


Chris Evans

Chris Evans
Director

THERA SOUTH WEST
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STATEMENT OF CASH FLOWS
for the year ended 31 March 2023

	2023 £	2022 £
Total comprehensive income	(392,259)	(392)
Interest payable	3,449	-
Interest receivable	-	(8,927)
Decrease in debtors	110,957	322,134
Increase / (decrease) in creditors	264,688	(247,013)
Net cash (used in) / provided by operating activities	(13,165)	65,802
Cash flows from financing activities:		
Interest received	-	8,927
Interest paid	(3,449)	-
Net cash (used in) / provided by financing activities	(3,449)	8,927
Net (decrease) / increase in cash and cash equivalents	(16,614)	74,729
Cash and cash equivalents at the beginning of year	79,831	5,102
Cash and cash equivalents at the end of year	63,217	79,831

THERA SOUTH WEST
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

1 Accounting policies

a) Statutory information

Tera South West 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 have received assurances from the trustees of Tera Trust that they will continue to support the operations of the company. On this basis 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 and below in Note 2 in the section on Group Financial Support.

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.

THERA SOUTH WEST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

1 Accounting policies (continued)

f) Taxation

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

g) Pensions

Thera South West participates in The Pensions Trust Ethical Fund and The People's Pension, both which are defined contribution schemes and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Thera South West also participates in the NHS Pension Scheme and Wiltshire County Council's Local Government Pension Scheme, both 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 this scheme are set by the Government Actuary and a qualified Actuary respectively.

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.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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:

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.

THERA SOUTH WEST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023

3 Turnover

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

All turnover arose within the United Kingdom.

Income from central government and local authorities in relation to Covid-19 exceptional income amounted to £95,514 (2022 - £248,591).

4 Operating result

The result for the year is stated after charging:	2023	2022
	£	£
Auditor's remuneration - audit	9,820	8,930
- other services	2,320	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:

	2023	2022
	£	£
Wages and salaries	6,579,447	6,113,613
Social security costs	557,629	483,082
Pension costs:		
Defined benefit	20,147	24,321
Defined contribution	126,344	119,513
	7,283,567	6,740,529

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

	2023	2022
	Number	Number
Direct and relief support work	311	323
Management and administration	5	7
	316	330

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

6 Directors' remuneration

	2023 £	2022 £
Directors' remuneration	74,330	85,619
Company contributions to pension schemes	1,477	1,757
	<u>75,807</u>	<u>87,376</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 £84,766 (2022: £96,818). The company considers its key management personnel comprises the Managing Director and the Service Quality Director.

7 Taxation

There is no tax charge assessed for the year as the entity made a loss from activities.

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

Factors affecting the tax charge for the year

The tax assessed for 2023 was lower than the standard rate of corporation tax in the UK (2022 - 19%). The differences are explained below:

Result from ordinary activities before tax	(392,259)	(392)
Result from ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	-	-
Effects of:		
Tax credit from losses utilised	-	-
Total tax charge for the year	<u>-</u>	<u>-</u>

THERA SOUTH WEST
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

8 Debtors

	2023 £	2022 £
Trade debtors	351,312	410,664
Other debtors	60,237	58,271
Prepayments and accrued income	443,663	497,234
	<u>855,212</u>	<u>966,169</u>

9 Creditors falling due within one year

	2023 £	2022 £
Trade creditors	41,795	54,308
Taxation and social security	136,078	162,096
Other creditors	34,055	51,817
Accruals and deferred income	235,322	328,161
	<u>447,250</u>	<u>596,382</u>

10 Creditors falling due after one year

	2023 £	2022 £
Amounts due to group undertakings	941,413	527,593
	<u>941,413</u>	<u>527,593</u>

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

11 Pension commitments

Pensions Trust Ethical Fund

Tera South West 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 £124,131 (2022: £118,051). The amount outstanding in respect of this Scheme at the year-end was £1,165 (2022: £454).

Tera South West participates in The People's Pension which is a defined contribution scheme for the benefit of its employees. The scheme started in the year and the contributions payable during the period amount to £2,212 (2022: £1,462). The amount outstanding in respect of this Scheme at the year-end was £nil (2022: £nil).

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11 Pension commitments (continued)

Local Government Pension Scheme

Tera South West participates in Wiltshire Council's Local Government Pension Scheme (WLGPS). The Scheme is funded and is contracted-out of the State Pension scheme.

Contributions payable during the period amount to £5,317 (2022: £5,183). The amount outstanding in respect of employer and employee contributions for this Scheme at the year-end was £nil (2022: £nil).

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.

Wiltshire County Council has confirmed that it will take responsibility for any funding deficit arising should Tera South West cease to be a member in the Scheme.

As at the balance sheet date there was 1 (2022: 1) active member of the Scheme employed by Tera South West.

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 2022 by a professionally qualified Actuary. The market value of the Scheme's assets at the valuation date was £3,230 million. The valuation revealed a surplus of assets compared with the value of liabilities of £81 million, equivalent to a past service funding level of 103%.

The next triennial formal valuation of the Scheme is due as at 31 March 2025.

NHS Pension Scheme

For some employees, who have previously worked in the NHS, Tera South West 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 £14,830 (2022: £19,138). 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.

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 (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 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 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 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.

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12 Related party transactions

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

13 Ultimate parent undertaking and controlling party

Thera South West'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.