

Registered number: 5566295

THERA EAST ANGLIA
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2007

THERA EAST ANGLIA
(A company limited by guarantee)

COMPANY INFORMATION

DIRECTORS

Mrs K T Boyce- Dawson (resigned 20/08/07)
Mr S L Conway
Ms J Garrigan
Dr A E Stenner (resigned 12/10/06)
Mr D J Walker (appointed 05/04/06 & resigned 13/04/06)
Mrs L E Williams (appointed 30/06/06)
Mr K C Lewis (appointed 27/10/06)
Mr G Skidmore (appointed 20/04/07)
Ms A Hedley (appointed 20/08/07)

SECRETARY

Mr S L Conway

COMPANY NUMBER

5566295

REGISTERED OFFICE

134 Edmund Street
Birmingham
B3 2ES

AUDITORS

Clement Keys
Chartered Accountants & Registered Auditors
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

BANKERS

Barclays Bank PLC
17 Lansdowne Road
Croydon
Surrey
CRO 2BX

SOLICITORS

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

THERA EAST ANGLIA
(A company limited by guarantee)

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THERA EAST ANGLIA
(A company limited by guarantee)

DIRECTORS' REPORT
for the year ended 31 March 2007

The directors present their report and the financial statements for the year ended 31 March 2007.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of supporting people with a learning disability in the East Anglia region.

The accounts have been prepared on a going concern basis, the validity of which depends upon the continuing financial support of its parent company, Thera Trust. The directors are satisfied that the going concern basis is still applicable as they believe the company will have sufficient resources to meet its future obligations as and when it falls due.

DIRECTORS

The directors who served during the year were:

Mrs K T Boyce- Dawson (resigned 20/08/07)
Mr S L Conway
Ms J Garrigan
Dr A E Stenner (resigned 12/10/06)
Mr D J Walker (appointed 05/04/06 & resigned
13/04/06)
Mrs L E Williams (appointed 30/06/06)
Mr K C Lewis (appointed 27/10/06)
Mr G Skidmore (appointed 20/04/07)
Ms A Hedley (appointed 20/08/07)

There were no directors' interests to disclose, as the company is limited by guarantee.

THERA EAST ANGLIA
(A company limited by guarantee)

DIRECTORS' REPORT
for the year ended 31 March 2007

EMPLOYEE INVOLVEMENT

Thera has an established Employee Consultative Council structure across the Group. Employee Consultative Councils in each Thera company consider a range of matters relating to Thera's 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.

DISABLED EMPLOYEES

People who are supported by Thera have a lot of influence on how their Thera company is directed and managed as well as leading the design and delivery of their own support. For example, people with a learning disability are employed as directors and in a number of other posts; they can be members of their local Thera company; and they are consulted on a range of important issues for the organisation.

PROVISION OF INFORMATION TO AUDITORS

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

During the year Clarkson Hyde resigned as auditors and Clement Keys were appointed. In accordance with section 385 of the Companies Act 1985, a resolution proposing the reappointment of Clement Keys will be put to the Annual General Meeting.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 29 January 2008 and signed on its behalf.



Mr S L Conway
Secretary

THERA EAST ANGLIA
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THERA EAST ANGLIA

We have audited the financial statements of Thera East Anglia for the year ended 31 March 2007 set out on pages 5 to 9. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THERA EAST ANGLIA
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THERA EAST ANGLIA

UNQUALIFIED OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

Emphasis of matter - Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in the accounting policies section of the financial statements in relation to going concern. Thera East Anglia is reliant on the financial support of its parent company, Thera Trust. We consider that this should be drawn to your attention but our opinion is not qualified in this respect.

Clement Keys

CLEMENT KEYS

Chartered Accountants
Registered Auditors

39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

29 January 2008

THERA EAST ANGLIA
(A company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2007

| | Note | 31 March 2007 £ | <i>Period ended</i> 31 March 2006 £ |
|---|------|-----------------------|--|
| TURNOVER | 1 | 7,249,827 | 1,411,615 |
| Direct costs | | <u>(6,346,906)</u> | <u>(1,175,950)</u> |
| GROSS SURPLUS | | 902,921 | 235,665 |
| Administrative expenses | | (712,351) | (213,671) |
| Other operating income | 2 | 250 | - |
| Charitable donations | | <u>(185,116)</u> | <u>(48,475)</u> |
| OPERATING SURPLUS/(DEFICIT) | 3 | 5,704 | (26,481) |
| Interest receivable | | <u>4,035</u> | <u>196</u> |
| SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION | | 9,739 | (26,285) |
| Tax on surplus/(deficit) on ordinary activities | 5 | <u>-</u> | <u>-</u> |
| SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES AFTER TAXATION | 8 | <u><u>9,739</u></u> | <u><u>(26,285)</u></u> |

The notes on pages 7 to 9 form part of these financial statements.

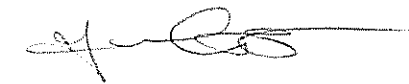
THERA EAST ANGLIA
(A company limited by guarantee)

BALANCE SHEET
as at 31 March 2007

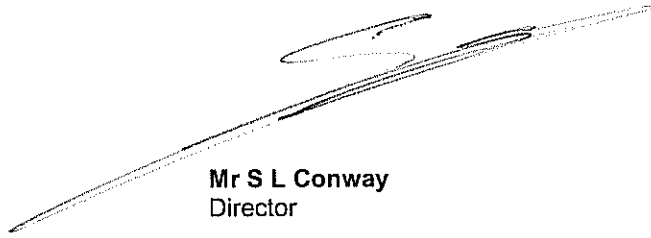
| | Note | 2007 | | 2006 | |
|---|------|--------------------|-----------------|------------------|-----------------|
| | | £ | £ | £ | £ |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 1,393,039 | | 439,671 | |
| Cash at bank and in hand | | 388,906 | | 79,703 | |
| | | <u>1,781,945</u> | | <u>519,374</u> | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 7 | <u>(1,798,491)</u> | | <u>(545,659)</u> | |
| NET CURRENT LIABILITIES | | | (16,546) | | (26,285) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | (16,546) | | (26,285) |
| CAPITAL AND RESERVES | | | | | |
| Income and expenditure account | 8 | | (16,546) | | (26,285) |
| | | | (16,546) | | (26,285) |

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 January 2008.



Ms J Garrigan
Director



Mr S L Conway
Director

The notes on pages 7 to 9 form part of these financial statements.

THERA EAST ANGLIA
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2 CASH FLOW

The financial statements do not include a cash flow statement because Thera East Anglia as a smaller entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.3 TURNOVER

Turnover represents amounts receivable for support provided to people with a learning disability.

1.4 PENSIONS

Thera East Anglia participates in the Pension Trust's Unitised Ethical Money Purchase Plan, which is a defined contribution scheme for the benefit of its employees. Contributions are charged to the profit and loss account in the period in which they are payable.

1.5 GOING CONCERN

As at 31 March 2007, Thera East Anglia had net liabilities of £16,546. Thera East Anglia is dependant on the continued financial support of Thera Trust. The directors have used the going concern basis for the preparation of the financial statements as they believe Thera East Anglia will have sufficient resources to meet its future obligations as and when they fall due.

2. OTHER OPERATING INCOME

| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
|------------------------|--------------------------------|---|
| Other operating income | <u>250</u> | <u>-</u> |

3. OPERATING SURPLUS/(DEFICIT)

The operating surplus/(deficit) is stated after charging:

| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
|---------------|--------------------------------|---|
| Pension costs | <u>111,358</u> | <u>31,130</u> |

THERA EAST ANGLIA
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

4. DIRECTORS' REMUNERATION

| | 31 March 2007 £ | <i>Period ended</i> 31 March 2006 £ |
|---------------------------|-----------------------|--|
| Remuneration and expenses | <u>33,643</u> | <u>6,875</u> |

During the year retirement benefits were accruing to 1 director (2006 - NIL) in respect of money purchase pension schemes.

5. TAXATION

On the basis of these financial statements no provision has been made for corporation tax.

6. DEBTORS

| | 2007 £ | 2006 £ |
|---------------|------------------|----------------|
| Trade debtors | 1,087,676 | 259,257 |
| Other debtors | 305,363 | 180,414 |
| | <u>1,393,039</u> | <u>439,671</u> |

**7. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2007 £ | 2006 £ |
|---------------------------------------|------------------|----------------|
| Trade creditors | 79,973 | 63,618 |
| Provision for liabilities and charges | 5,117 | 48,259 |
| Amounts owed to group undertakings | 531,134 | 227,348 |
| Social security and other taxes | 130,383 | 103,852 |
| Other creditors | 1,051,884 | 102,582 |
| | <u>1,798,491</u> | <u>545,659</u> |

THERA EAST ANGLIA
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2007

8. RESERVES

| | Income and expenditure account |
|----------------------|---|
| | £ |
| At 1 April 2006 | (26,285) |
| Surplus for the year | 9,739 |
| | <hr/> |
| At 31 March 2007 | (16,546) |
| | <hr/> <hr/> |

9. PENSION COMMITMENTS

Thera East Anglia participates in the Pension Trust's Unitised Ethical Money Purchase Plan, which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £ 108,515 (2006 - £31,130). The amounts outstanding at the year end were £17,162 (2006 £26,901).

10. RELATED PARTY TRANSACTIONS

Thera East Anglia has chosen not to disclose related party transactions between the group companies on the grounds that the company is included in the consolidated financial statements of Thera Trust.

This is in line with the exemption conferred by the Financial Reporting Standard for Smaller Entities (effective January 2005).

11. COMPARATIVES

Thera East Anglia was incorporated on 16 September 2005 and commenced trading on 1 January 2006. The comparative figures therefore reflect transactions for the period from 1 January 2006 to 31 March 2006.

12. COMPANY STATUS

Thera East Anglia is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute to an amount not exceeding £1 towards the assets of the company in the event of liquidation.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Thera East Anglia's ultimate parent company is Thera Trust, a charitable company limited by guarantee and registered in England and Wales.

Thera Trust prepares group financial statements and copies can be obtained from The West House, Alpha Court, Swingbridge Road, Grantham, Lincolnshire NG31 7XT.

THERA EAST ANGLIA
(A company limited by guarantee)

DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2007

| | Page | 31 March 2007 £ | <i>Period ended</i> 31 March 2006 £ |
|---------------------------------------|------|-----------------------|--|
| Turnover | 11 | 7,249,827 | 1,411,615 |
| Cost of sales | 11 | (6,346,906) | (1,175,950) |
| | | <hr/> | <hr/> |
| Gross surplus | | 902,921 | 235,665 |
| Gross profit % | | 12.5 % | 16.7 % |
| Other operating income | 11 | 250 | - |
| | | <hr/> | <hr/> |
| | | 903,171 | 235,665 |
| Less: Overheads | | | |
| Administration expenses | 12 | (712,351) | (213,671) |
| Other operating charges | 12 | (185,116) | (48,475) |
| | | <hr/> | <hr/> |
| Operating surplus/(deficit) | | 5,704 | (26,481) |
| Interest receivable | 12 | 4,035 | 196 |
| | | <hr/> | <hr/> |
| Surplus/(deficit) for the year | | <u>9,739</u> | <u>(26,285)</u> |

THERA EAST ANGLIA
(A company limited by guarantee)

SCHEDULE TO THE DETAILED ACCOUNTS
for the year ended 31 March 2007

| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
|-------------------------------|--------------------------------|---|
| Turnover | | |
| Supporting income | 6,800,415 | 1,386,262 |
| TUPE income | 443,805 | 25,467 |
| Other income | 2,482 | (114) |
| Service charge income | 3,125 | - |
| | 7,249,827 | 1,411,615 |
| | | |
| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
| Cost of sales | | |
| Staff costs | 5,492,978 | 1,050,164 |
| Pension costs | 108,515 | 27,907 |
| Travelling | 173,291 | 26,179 |
| Water rates | 360 | 169 |
| Agency staff costs | 26,538 | (22) |
| Rent & rates | 121,391 | 26,758 |
| Telephone | 78,355 | 11,578 |
| Light, heat and power | 4,537 | 166 |
| Repairs and maintenance | 6,323 | 914 |
| Leisure activities | 16,596 | 3,763 |
| Household | 23,242 | 4,998 |
| Motor expenses | 96,707 | 20,503 |
| Postage | 15,073 | 2,873 |
| Corporate service fee | 183,000 | - |
| | 6,346,906 | 1,175,950 |
| | | |
| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
| Other operating income | | |
| Other operating income | 250 | - |

Thera East Anglia
(A company limited by guarantee)

SCHEDULE TO THE DETAILED ACCOUNTS
for the year ended 31 March 2007

| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
|--------------------------------|--------------------------------|---|
| Administration expenses | | |
| Staff salaries | 102,892 | 32,148 |
| Staff pension costs | - | 3,223 |
| Directors salaries | 30,800 | 6,875 |
| Directors pension costs | 2,843 | - |
| Corporate service fee | 513,000 | 165,102 |
| Hotels, travel and subsistence | 50,376 | 5,287 |
| Postage | 330 | 107 |
| Bank charges | 327 | 20 |
| Rent - operating leases | 6,991 | 876 |
| Start up costs | 3,772 | - |
| TUPE costs | 868 | - |
| Sundry expenses | 102 | - |
| Room hire | 50 | 33 |
| | 712,351 | 213,671 |
| | 712,351 | 213,671 |
| | | |
| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
| Other operating charges | | |
| Other operating charges | 185,116 | 48,475 |
| | 185,116 | 48,475 |
| | 185,116 | 48,475 |
| | | |
| | 31 March 2007 £ | <i>Period ended 31 March 2006 £</i> |
| Interest receivable | | |
| Bank interest receivable | 4,035 | 196 |
| | 4,035 | 196 |
| | 4,035 | 196 |