



THERA TRUST

Registered No: 03593418

Charity No: 1090163

TRUSTEES' CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH, 2021

Thera Trust

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INTRODUCTION

**These papers tell readers what the company has been doing
between April 2020 and March 2021.**

**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.**

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

The Directors are pleased to present their report and financial statements for the year ended 31 March, 2021.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name	Thera Trust
Charity Registration Number	1090163
Country of registration	England and Wales
Company Registration Number	03593418
Country of incorporation	United Kingdom
Registered Office	134 Edmund Street Birmingham B3 2ES
Principal Address	The West House Alpha Court Swingbridge Road Grantham Lincolnshire NG31 7XT
Company Secretary	Simon Conway

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Auditor

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

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

T C Young
Melrose House
69a George Street
Edinburgh
EH2 2JG

Principal Bankers

Barclays Bank plc
43 High Street
Sutton
Surrey
SM1 1DR

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BOARD OF TRUSTEE DIRECTORS

Members of the Board of Trustee Directors, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out below:

John Blundell

Karen Boyce-Dawson*

Christine Chang

Simon Conway*

Jennifer Garrigan*

Elizabeth Lichten (appointed 4 May, 2020)

Michelle McDermott (appointed 28 September, 2020) Co-Chairperson

Michael Morgan

Jill Parker

Martin Pilkington

Christopher Rheinberg

Matthew Smith*

Sally Warren (appointed 27 April, 2020) Co-Chairperson

Details of trustee remuneration are detailed in Note 7 to the accounts.

* Members of the executive team of the charitable group of companies.

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

RESPONSIBILITIES OF THE BOARD OF TRUSTEE DIRECTORS

The Directors (who are also the Trustees of Thera Trust for the purposes of charity law) are responsible for preparing the Report of the Directors and Trustees (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Thera Trust, the charitable company, and of the Group and of Thera Trust's and the Group's incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- ✓ select suitable accounting policies and then apply them consistently;
- ✓ observe the methods and principles in the Charities SORP;
- ✓ make judgements and accounting estimates that are reasonable and prudent;
- ✓ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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- ✓ prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Board of Directors is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and of the Group to enable it to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors is also responsible for safeguarding the assets of Thera Trust, the charitable company, and of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021



report

Report of the Directors and Trustees¹

As we sit and write a few words for the Annual Report, we are finding it hard to believe that a full year has passed since the last report. What a year!

We said last year that relationships are important and that we had started meeting people around the Group. We are still meeting people! We have met people supported by Thera and staff throughout the Group, who have worked with so much passion, determination, imagination, and a sense of fun to ensure that those people are not only well supported, but well connected during a pandemic that none of us could ever have imagined.

Everything we do as a Group of companies is to ensure that people with a learning disability receive quality support to live good lives. We have particularly enjoyed hearing stories about the lives of people we support. Stories of success that celebrate, but also lead to shared learning and the chance to explore what more is possible. The impact stories, later in this report, share some of this.

Ensuring each company board has unremunerated directors with a range of skills to support Thera's work is crucial to developing and

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

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maintaining good support and governance. We are grateful to all those across the group who have committed so much of their time, energy and skill AND we are thrilled to have welcomed new paid and unremunerated directors in the last year! We will be working hard over the coming year to meet board members across Thera, as well as working with the Chairpersons' Forum, to ensure ever greater connections, shared learning, and strong governance.

One of the things that attracted us to Thera was that at its very core is the commitment to people with a learning disability being valued as leaders in society. In our first year as co-chairpersons, we have seen what this means in reality! We have met Service Quality Directors, who play such a crucial role in shaping all we do. We have also welcomed new Service Quality Directors and our leadership team grows stronger. We look forward to working with them all in the coming year.

After what will be 17 years with Thera, Karen Boyce-Dawson, Director of Operations, will be leaving Thera in the middle of 2022. We and many people we have spoken to are going to miss her passion and energy. We wanted to share some of Karen's message here:

"I am incredibly proud to have been part of the Thera story. Future plans have though been brought forward by personal family circumstances and I'm moving into semi-retirement with a mix of time at home and travelling. This early announcement allows time to ensure a good hand-over and a smooth transition. It will be very

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difficult to leave Thera and everyone who is part of making the organisation such a unique and special organisation and charity. I very much aim to stay connected!"

We know that Karen leaves a strong organisation with a widely respected Vision which continues its ambitious strategy. In the interim, a core group of senior leaders has taken responsibility for co-ordination and oversight of the Group's day to day operations.

Thera remains absolutely committed to leadership by people with a learning disability as expressed in its equal executive team structure. Trustees will now take time to review and recruit to future leadership needs.

We and the rest of Thera Trust's trustees want to say an enormous thank you to the people we support, their families, our staff, and paid and unremunerated directors for everything that has been achieved last year. We know that, across the country, the year ahead will present many challenges for social care. Yet, we also know that working together we can remain focused on Thera's values and find a positive way forward when challenges present themselves.

We started by saying we love meeting people well, we have also now started travelling around the country for our board meetings. We

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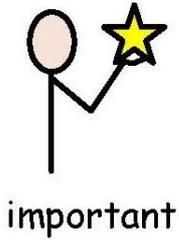
are hosting 'Tea and Cake' sessions with members, people we support, staff and company directors - a chance to meet informally and share news.

We really hope to meet lots of you for tea and cake over the next year.

Michelle McDermott, Sally Warren
Co-Chairpersons

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What is Important for Thera

Thera has always said that the people it supports must be involved in how the organisation does its job. Thera's Vision clearly sets out Thera's philosophy to demonstrate the leadership and other abilities of people with a learning disability and to ensure their control of, and involvement in, Thera.

Our vision

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



Thera Group
Supporting people with a learning disability

www.thera.co.uk

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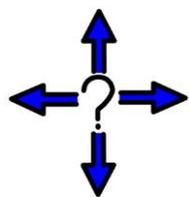
People with a learning disability have a greater profile in society today than they did twenty-three years ago when Thera started. They are increasingly represented in mainstream media. However, they still face considerable prejudice and misunderstanding. Particularly during the early stages of Covid-19, there was little focus nationally on their specific needs and risks. A Health Committee report found a lack of care, “disproportionately high mortality rates” and existing health inequalities exacerbated; and that patients with a learning disability were automatically being labelled as “do not resuscitate” without any prior consultation. Hate crime is often covered in the media and people still find themselves limited in their life choices by lack of funding or suitable property, on the margins of their local community, or excluded from employment. More subtly, charitable and social effort sometimes limits people’s life choices by focussing on inputs to their “condition”, attempting to mitigate its impact, rather than on outcomes, empowering individuals to live an independent life with support.

It’s also still the case that many people with a learning disability, particularly those with complex needs, remain hidden away from society. NHS statistics indicate that there were 2,035 people with a learning disability in inpatient settings at the end of March. 2021 and more than half had been there for over 2 years.

Thera's Vision therefore remains as relevant and necessary as it was when the organisation was first established.

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direction

Strategic Direction

Thera's strategic direction continues the range of care, support, services and activities that Thera is now known for. As a charitable group of companies, this direction is delivered both by Thera Trust itself and through its subsidiary companies.

- ✓ Supporting people to have a great life, including:
 - a) continued focus on supporting people with complex needs
 - b) improving access to specialist health care
 - c) developing further our capacity and skills to support younger people with a learning disability
- ✓ Supporting more people and working in more areas
- ✓ Creating opportunities for people beyond exclusive activities and paid support
- ✓ Offering employment and training opportunities to more people in more areas
- ✓ Expanding development opportunities for leaders with a learning disability
- ✓ Facilitating access to specialist housing within people's chosen communities
- ✓ Building the capacity of communities to welcome, and to, offer more social connections to, and support people with a learning disability
- ✓ Supporting other organisations that share Thera's Vision
- ✓ Engaging in research and proactively influencing society for the benefit of people with a learning disability

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- ✓ Protecting Thera's Vision as the organisation develops
- ✓ Developing further the empowerment, autonomy and accountability of staff teams around people with a learning disability
- ✓ Building our charitable reserves

In addition to the needs of beneficiaries and commercial considerations, trustees continue to have regard to the Charity Commission's guidance on public benefit and believe that the strategic direction, objectives and activities of Thera Trust and its subsidiaries fulfil the Commission's requirements. Thera's objects², aims and activities continue to be charitable and provide benefit both directly and indirectly to individuals in need, their families, and the local communities in which they live. The organisation does not restrict its activities on the basis of ability to pay and nor are they unreasonably restricted in any other way.

Throughout each year, Thera Trust's trustees track progress of the strategic plan which delivers our strategic direction. Whilst the content of our annual report sets out progress, Covid-19 limited what was able to be achieved during the year.

Trustees of Thera Trust promote the purposes of the charity in a number of ways, noting that this is in their role as trustees of the

² Thera Trust's charitable objects are for the public benefit and are "the relief of persons with a learning disability, 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." and "the company can do all other things that are incidental or conducive to its objects or any of them."

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parent company of a charitable group of companies. As well as talking about Thera, they:

- ✓ Ensure company articles provide for:
 - a) company members with lived experience of learning disability
 - b) paid and unpaid directors with lived experience of learning disability
- ✓ Maintain and govern a group structure to enable the engagement of local boards and leaders more directly with beneficiaries and their local communities
- ✓ Promote control and involvement by beneficiaries of their local company through company membership
- ✓ Appoint paid and unpaid directors with lived experience of learning disability to the Thera Trust and subsidiary company boards
- ✓ Set a strategic direction for the Group's activities which focusses on and responds to the interests of beneficiaries rather than organisational targets
- ✓ Employ staff with lived experience of learning disability
- ✓ Encourage peer review of the quality of Thera's work
- ✓ Provide social investment grants in support existing and future beneficiaries and of charitable activities
- ✓ Undertake fundraising activities for the benefit of beneficiaries either generally or for specific projects

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- ✓ Promote communication internally and externally that is as accessible as possible to those with lived experience of learning disability
- ✓ Maintain a governance and policy structure that promotes the charity's objects
- ✓ Undertake activities designed to promote the interests of people with a learning disability in government and in wider society



Thera Supports People with a Learning Disability

support

As of 31 March, 2021, Thera was providing support to around 3,000 people with a learning disability (31 March, 2020 – 3,300) across the UK. As well as changes to contracts, closure of venues and people choosing to stop being supported, during the course of the year, 79 people we supported passed away, including ten as a specific result of Covid-19. Local Authority commissioning activity was largely paused for the entire period and additional introductions of people who needed Thera's support, which would normally occur through the year, were therefore at a minimum. In addition, as restrictions have eased, fewer people are choosing to be supported in venues where people congregate. Sadly also, some local authorities have noted that individuals who have previously benefitted from relatively few hours of support per week have appeared to manage without this support during the pandemic and they have then taken the opportunity to de-commission their support.

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The range of Thera's work is described in its Social Impact Framework. Our independently assessed fifth Social Impact Report was published during the year and we were really pleased that Thera retained the top scoring of 1 for both Social Impact and Financial Confidence. These ratings are based on an assessment, by Investing for Good, of over 200 impact and financial criteria using 'The Good Analyst' methodology.

At the time of writing, our sixth report was being compiled showing Thera's performance against this framework. Copies of our annual impact reports can be viewed online at <https://www.thera.co.uk/investors>.

Each year, we hear stories from people we work with which continue to inspire us! We see our impact demonstrated ever more clearly in such stories. They show individual achievement in so many ways and, in particular, the leadership abilities of people with a learning disability and the extent to which they are able to take their place as valued citizens in their local community. Some of their stories are included throughout this report and illustrate the work that Thera does and the impact that we have in people's lives.

Much of the focus of the stories in this report has the pandemic as a backdrop. Our impact last year has more often been about helping people cope with the restrictions placed on their lives, ensuring their safety and continued health, and maintaining contact with family and friends during periods of lockdown. In some cases, our work has

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been about helping people towards the end of their life or through bereavement. The impact of good support in such different circumstances is no less remarkable than in previous years.



A Brief History of Thera and Covid-19

Last year, a section of our report was headed "Preparations for Covid-19". Three months into the new year, the organisation had "settled" in to the "new normal". Some operational issues continued, but that extensive preparatory work proved its worth. As the first lockdown started to ease, different challenges presented themselves, with careful risk assessments and management plans needed as people start to meet once more face to face.

People with a learning disability are amongst those across the country who are more susceptible to the impact of Covid-19. All of the preparations and Thera's ongoing work therefore had the overall objective of ensuring that vulnerable people with a learning disability were kept safe and supported to cope with the restrictions and the resultant changes to their daily lives.

Overall, the year was dominated by the operational challenges of ensuring sufficient staff were available day to day to provide care, support, and services to people and their families, supporting staff who themselves were infected or needed to isolate, or who came into contact with those who were.

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The designation of people caring for vulnerable people as "key workers" was welcomed. Staff were provided with guidance and support as necessary. Where appropriate, staff were re-deployed to support core activities. Staff working out of Thera's Grantham Office, as far as possible, worked from home for much of the year.

Earlier in the year, there was huge effort to obtain and distribute personal protective equipment. Supply issues eased as the months rolled on and in the latter part of the year, an increasing volume of personal protective equipment was able to be sourced from central NHS portals, reducing direct costs to Thera.

Following the initial investment in IT infrastructure, as the year progressed, its functionality and use increased and became more sophisticated. As the weeks and months passed, people became increasingly used to online meeting.

Our Covid-19 Steering Group continued to co-ordinate Thera's response to the pandemic throughout the year. Policy and practice were ever more rapidly updated in line with often frequently changing and sometimes contradictory regulations and guidance.

The lockdowns led to the temporary closure of venues where local authorities commission support to beneficiaries in groups. Around 275 of Thera's beneficiaries were initially affected by this across the UK. However, this provided several companies in the Group with an immediate and unexpected opportunity to advance our work with beneficiaries and their families to re-imagine how they might be supported in the absence of such venues in the future, in line with the

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Group's strategic plan. The permanent closure of large-scale "day centres" started to emerge as a potential positive outcome of the lockdown as individuals realised that there are a wide range of opportunities outside of such buildings and that they do not need to accept the traditional commissioning by local authorities of this type of support.

There was other positive influence and impact for beneficiaries in the early part of the year. Whilst large scale projects were not able to progress, there were fantastic stories of creativity and innovation. Much of Thera's work at that point in the year might be characterised as "just getting on with the day job". Thera's impact has been in how that was being achieved. Have a look at our "Don't Worry, Be Happy" video at <http://https://www.thera.co.uk/news/dont-worry-be-happy/> !

Nevertheless, whilst lots of people enjoyed a quieter pace of life or were able to try out new hobbies, others struggled with the additional lockdown restrictions. Beneficiaries were kept motivated with online quiz nights, tea parties and cake competitions. One company introduced a "peer pal" scheme so that beneficiaries could check on each other, engage with people other than their staff team and undertake a role which provided a sense of value, structure and purpose.

As the year progressed, there was some indication that new restrictions and lockdowns, and the developing complexity and changeability of rules and guidelines, started to have a substantial negative impact on some beneficiaries. For example, those with

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autism, where clear routines are important, were finding the changes in what could and could not be done, or who could or could not be seen, very difficult to cope with. In some instances, greater levels of staff support were necessary as a result.

Initially infection levels remained very low across the Group and no one supported or employed found themselves seriously ill or in hospital. This continued in to the second quarter of the year and at the half year point, fewer than 3% of Thera's staff were isolating. There was though starting to be an uptick amongst staff and beneficiaries isolating at home, either with symptoms or following a positive test. Of greater concern were individuals who, having been admitted to hospital for non-Covid-19 reasons and testing negative on admission, found themselves Covid-19 positive, reflecting broader experience reported across the country.

Latterly, a further seven people passed away specifically as a result of Covid-19, following three people earlier in the year. We also mourned the loss of a member of staff who also passed away because of Covid-19. Each of these individuals left behind family, fellow tenants, friends, and members of staff who will miss them and grieve their passing.

Yet, whilst Thera saw increase in Covid-19 infections in the winter period in line with the rest of the country, levels continued to remain low compared to other parts of the social care sector. Over the final quarter of 2020-21, levels of infection amongst people we support and amongst staff started to subside and we were pleased to see the

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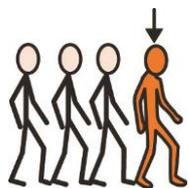
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start of the rapid vaccination of people we support and of members of staff.

It is often at times of crisis that the best of people shows through. We have seen the resilience and adaptability even of those beneficiaries who might have been expected to struggle considerably, the sheer hard work and humanity of our workforce and the sometimes unexpected support from partner organisations and individuals, including our investors. All of the above reminds us in particular of the passion and dedication of each member of our workforce in support of our beneficiaries, for which we are immensely grateful.

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leader

Promoting People's Place in Society

Thera promotes the leadership abilities of people with a learning disability by employing them in senior roles within the organisation and offering them membership of their local Thera company. Thera also aims to support people to have a voice as citizens.

Jordan Allan was interviewed as a candidate for the role of Service Quality Director for Thera (Scotland) in February, 2020, and then ...

“I have been in post for a year now since May, 2020. It has been a very strange year starting a new job in lock-down, but I have very much enjoyed my first year ... In normal circumstances, I would be doing home visits, but because of Covid-19 I have not been able to do this. I have been doing virtual [video] calls with some people and phone calls with others. I run through a virtual questionnaire which asks people if they are happy with their support and if there is anything that they are not happy with. People have said that they are happy with their support but miss their day to day activities ... We have also held some events over Zoom throughout the year - a pumpkin carving competition, fancy dress, a Christmas card competition, a Valentine's show and a design an Easter Egg competition ... I am looking forward to visiting people in their own homes very soon and being able to attend face to face board and senior management meetings.”³

³ Edited from Thera (Scotland)'s annual report

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Sam Holman is the Service Quality Director for Thera South West:

“This year has been very challenging as, due to Covid-19, we have all had to learn new ways of working with technology and with colleagues and to learn different ways to deliver our support. Last year, I had set out plans to host Being Heard events, make visits to the people we support and host ‘fun days’. Unfortunately, the words “lockdown”, “stay home” and “restrictions” became part of our lives and I was unable to do so. The rules and restrictions were very confusing and frustrating as they changed so often, and I found it difficult to keep up. I realised that some of the people we support must have felt the same.

We held a virtual AGM last year and company members were given an opportunity to vote on some important decisions and I also launched a project to promote company membership. Phase one was focussed on the people we support, phase two on family carers and phase three will be for staff.”⁴

Andrew Bright, one of Thera's Service Quality Directors, has been nominated for a second time to the Learning Disability and Autism Leaders' List. He is also a judge on Shaw Trust's Disability Power 100, an annual publication of the 100 most influential disabled people in the UK working to change society's attitude towards disability.

⁴ Edited from Thera South West's annual report

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great

Individual (Direct) Support – Supporting People to Have a Great Life!⁵

This is the main area of Thera's work. We aim to support people to achieve their ambitions, increase their independence and social / personal well-being with support in many aspects of their day-to-day lives, helping them to maintain a tenancy and build circles and networks of support in their local community.

Much of this aspect of Thera's work is intensive 24-hour support, to people with complex support needs, in their own homes and alongside them in their local communities. The impact of Thera's support sometimes seems only to be small steps but, over the longer term, great strides are evident.

Thera supports, helps, and encourages people in developing a range of practical life skills, to take an active part in their local community, in employment, education, hobbies and interests, for short breaks and on holiday. Thera also supports people who want only a small amount of support from us, as one part of their overall network of family, friends and support.

During 2020-21, many of the people supported by Thera struggled greatly with the impact and changeability of the restrictions. Staff wearing full personal protective equipment made communication

⁵ In some instances, people supported by Thera have asked that their real names are used in the stories in this section of the report.

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more difficult and could be scary. Some people found changes to established routines extremely difficult to cope with.

In other cases, however, individuals who had habitually undertaken regular activities or attended local authority day centres suddenly found themselves enjoying less hurried weeks; and they were able to enjoy the peace of country walks or just tending their garden. The rapid introduction for other people of tablets and other technology opened up a new world to explore online or the ability to catch up with relatives and friends more regularly or even for the first time.

‘Jackie’ had been living with her father in Thriplow all of her life. As she got older, she wanted to live more independently and have a life of her own. She had lots of connections with Sawston and the village was on the top of her wish list of places to live. She had friends in Sawston and had worked at the local charity shop and in the café.

‘Jackie’ experienced a serious illness a few years back and now she needed 24-hour support. The coronavirus pandemic had a big impact on her, and her father could not support her anymore. She had to move into respite in Cambridge, but her hope was still to find somewhere to live.

‘Jackie’ was one of two people to visit a house in November, 2020 and she loved it as soon as she saw it. She was anxious to find out who would be successful in taking up the tenancy and she was very

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happy to find out it was her! But the pandemic was still having a significant impact in planning a house move. 'Jackie' self-isolated in her room for fourteen days before moving. She moved in, but, the very same day, her latest test came back positive. So poor 'Jackie' had to spend ten days self-isolating in her brand-new room separated from everyone else in the house and looking at her new support team through a full set of scary personal protective equipment.

She did say she felt like she was in a strange hotel with room service for meals, waited on hand and foot via a call bell or phoning staff at the other end of the house. As soon as her isolation period ended there was a big celebration takeaway meal.

Just as 'Jackie' was getting used to her new home, she received an extra shielding letter at the beginning of March. Now she was facing even tighter restrictions and whilst she had to stay indoors, she spent a month picking up crafting skills, learning to knit and baking cakes for everyone. 'Jackie' is now enjoying her new freedom in Sawston and can go independently to the local shops. She is planning trips to Norwich and the seaside. She is taking control of her own finances and has upgraded her phone and she is enjoying her new life. She gets on very well with the other ladies who share her house. She fitted their "who we want to live with" perfectly.

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employment

Employment, Training and Social Enterprises

Unity Works Social Enterprises supports people with a learning disability with training and support into, and in, work. This includes working through its social enterprises - catering, gardening, warehousing and distribution, in addition to working alongside a number of Further Education colleges to support young people of 19-25 years to progress from vocational courses into employment. As well as its work in London, Unity Works' experience and expertise is now being shared more widely across the Group and they are developing tools to help other Thera companies support people into work.

During the year, Unity Works' activities were severely disrupted. All face-to-face support sessions were stopped, and social enterprises closed to the public in March, 2020 and, for the most part, support remained online since then. Placements with employers were constrained and some trainees were made redundant from their jobs as partner employers faced their own challenges. Many of Unity Works' own staff were furloughed, although some staff and apprentices supported Westminster Council with making and distributing meals to the borough's homeless community, making over 68,000 meals in three months.

'Abdul' was first referred to Unity Works' Lambeth ProWork service when he was in college. He quickly got involved with Unity Works

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Online. This fitted around his home responsibilities perfectly and enabled him to practice his computer skills. He became a regular on many sessions, from interview skills to sports chat and “Ask the Employer”.

During Learning Disability Work Experience Week, ‘Abdul’ was part of a group of candidates who discussed their experiences of job hunting before and during the pandemic during a series of sessions to employers and business partners. The sessions generated new contacts and partnerships for Unity Works, and helped renew existing connections, such as with Unilever, Royal Opera House and Westminster Council. ‘Abdul’ really enjoyed participating and he was later invited to come and talk to CSJV/HS2 (a joint venture working to build the HS2 train line from London to Birmingham), who had asked Unity Works to join them to talk about hidden disabilities during their regular lunchtime training session. ‘Abdul’ and another candidate, who had also completed work experience with a transport provider, learned how to use Microsoft Teams and shared their story across two sessions with 132 delegates - the biggest group he had ever talked to!

An Employer’s Contribution

We first met ‘Heidi’ after she attended an event with one of our other employers in her sector, who had employed one of our candidates and were celebrating his achievements. ‘Heidi’ reached out to us,

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keen to see what she could do to help to open up similar opportunities to other candidates, and we arranged some informal meetings. 'Heidi' met six candidates and offered them interview skills feedback and advice, mentoring and networking opportunities, including sharing online profiles, CVs and complimentary tickets to career events. 'Heidi' has demonstrated amazing commitment to diverse talent, and during lockdown also attended our online disAbility Awareness Training. We are now looking at creating training that can be accessed by colleagues throughout 'Heidi's' network.



business

Supporting Entrepreneurs



Thera supports people with a learning disability to set up their own business or community project, and we are applying skills learned from our Dolphins' Den⁶ project, to new initiatives elsewhere in the Group.

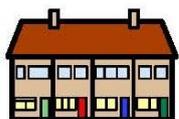
"Dolphin Fit has been a collaborative initiative between Thera East Anglia and Thera East, offering weekly exercise sessions via Zoom, accessible to all. The virtual sessions were so well attended that they

⁶ Dolphins' Den is part of Building Bridges. [Building Bridges](#) is a partnership of organisations, led by Community First, that has come together to deliver the Building Better Opportunities Programme across Swindon and Wiltshire.

The project has received up to £6.4M of funding from the European Social Fund and The National Lottery Community Fund as part of the 2014-2020 European Structural and Investment Funds Growth Programme in England. The Department for Work and Pensions is the Managing Authority for the England European Social Fund programme. Established by the European Union, the European Social Fund helps local areas stimulate their economic development by investing in projects which will support skills development, employment and job creation, social inclusion and local community regenerations. For more information visit <https://www.gov.uk/european-growth-funding>

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were extended from their initial six weeks and have even included special guests, including instructors who specialise in hip hop style.”



housing

Housing Support

Forward Housing provides a housing brokerage service to help people with a learning disability find somewhere to live. We work with a number of housing associations and other housing providers to help people find a place of their own.

In addition, Forward Housing own, lease, and adapt property for people with a learning disability who are finding it difficult to find a house suitable to meet their specific needs.

Thera also provides support to people to move on from residential care accommodation to become tenants either in situ or in alternative accommodation.

‘Arthur’ is an active young man with exceptionally complex support needs who was living in a specialist residential secure unit and who needed a highly adapted property. Thera worked with those that know ‘Arthur’ best to develop a detailed property works specification. It included underfloor heating, a separate toilet, tanked floors, reinforced glass and raised window ledges and specialist furniture.

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Securing accommodation with this level of specialist adaptation would be almost impossible to do through more traditional routes, and it demonstrates the value and impact of Forward Housing's approach to providing bespoke housing solutions.

Last year, the owner of a property where Andrew and Tim live gave notice of their intention to sell. The property had been in need of maintenance work for some time. However, Andrew and Tim were very happy in their home and had been living together as friends for a few years, since Thera initially worked with them to find the house of their dreams.

Forward Housing purchased the property and, once ownership was secured, renovations were completed. This means that Andrew and Tim's home has been secured for the long term and they have not needed to have to find somewhere else to live.

'Maria' needed to move due to long-standing health issues. She struggled with stairs and there was nobody to help her if she fell or was finding things difficult because she lived alone. The house was also too large and expensive for her to maintain. However, 'Maria' also struggled with the idea of moving from what had been her home for her entire life. Thera worked with 'Maria', her family, social worker and a housing association officer to help her come to terms with the need to move. 'Maria' now lives in a lovely bungalow, totally

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refurbished and with new carpets and curtains. She says she feels like she has had a fresh start and is now making plans for a holiday with her sister and has already been shopping for holiday clothes and a new suitcase.



Financial Advocacy and Corporate Appointeeship

Dosh provides specialist, person-centred financial advocacy and support to manage individual budgets and direct payments as well as corporate appointeeship services to individuals.

‘Anita’ had an “old style” Nationwide account with a passbook. Drawing her weekly money involved a bus ride to the branch, seven miles away. This was never a problem as ‘Anita’ enjoyed the trip and the chat to the branch staff, as well as looking around the high street. However, Covid-19 restrictions meant that she could no longer go by bus.

‘Anita’ had no other way of getting cash and her closest supermarket had said that they would soon stop accepting cash for payments, until the pandemic had passed.

After investigating supermarket vouchers, ‘Anita’ was supported to apply for a new basic bank account. The branch must have pulled out a few stops because the new account details arrived quickly!

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The good news didn't stop there, though. The Team Manager had been a little concerned about how 'Anita' would manage with this new-fangled technology, but she has taken to it very quickly and has been excited by the development. She enjoys producing her new card in her local supermarket to make contactless payments with a flourish, as well as mastering cash withdrawals. The Team Manager is keeping a close eye on her but says that she has learned to control her spending, check her balance, gain confidence and develop a new degree of independence along the way.

"One of the young men [for whom I am a financial advocate] has been very keen to get outside. He shares a house with some other men of similar age and they all [need and] want to get out and about [during the lockdown]. He does not really understand why he cannot do his usual activities and has been very frustrated by the whole situation. He has some health issues, which mean that he really does have to be careful to maintain exercise for his physical and mental health. He has a brilliant support worker who rang me to talk about this. After chatting about the situation, he asked if we could help the young man buy a bicycle, so we did! We looked at prices, availability, etc. and he chose the one he wanted. His friends already had bicycles and were able to go out together on bike rides. Now he can join in with them and enjoy the fun. He is much happier and therefore so is the whole household."

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Quality Assurance

The Quality Company provides peer quality reviews of formal care and support. These are carried out by Quality Assessors with a learning disability supported by Quality Partners. A written report is provided to the person themselves and to their care and support provider.

The Quality Company's activities were also severely disrupted during the year. Initially, all staff were furloughed. Later a small number of staff were given technology to be able to work from home and began a pilot project of themed quality checks using online conferencing. This enabled The Quality Company to gather more information and to speak regularly to people about the quality of their support. A social investment grant then enabled the rest of the workforce to return to quality checking using a flexible, blended approach of online video conferencing and physical, face to face meetings

Michelle Mansfield is the new chairperson of The Quality Company. Michelle has lived experience of learning disability:

“I became Executive Chairperson of The Quality Company in July, 2020. It has been an interesting period of time; starting a new job and getting used to running Board meetings virtually.

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Although for some of the year some staff were furloughed, we used this time to develop new ways of working including enabling a blended approach of online and in-person quality assessment. This included access to new IT equipment and the development and delivery of training for staff, to support their work now and into the future. Staff have been able to take part in several online training sessions as well as a less formal “coffee and catch up”. I have taken part in several of these meetings and valued meeting staff from around the country. I have enjoyed my first ten months with The Quality Company and we are now planning to recruit some new Board members.”



Community Capacity Building

Thera works to build the capacity and capability of people’s communities to be accepting and involving of their neighbours.

Equal Futures help build and sustain circles of support around individuals with a learning disability currently living with their family. Gig Buddies exists to tackle social isolation for people with a learning disability.

Through Covid-19, the support of family, friends and communities has become increasingly important. It is to be hoped that new relationships started during this period can be developed and sustained.

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'Simon' lives at home with his parents but will soon be embarking on a new and exciting chapter of his life as he moves into his house for the first time, with support.

'Simon' and his family have been involved with Equal Futures for five years and benefit from the friendly support of their local project coordinator who focused on developing a "smart circle" around 'Simon' and his parents. This group of people – including professional volunteers with experience in preparing and supporting people to move into their own house - will help both 'Simon' and his parents through this transitional period and beyond. Thereafter, 'Simon's' circle will continue to help him achieve his goals, develop friendships and his independence.

Liam is 39 years old and lives on his own with his dog Murphy. He has a number of complex physical and mental health needs and relies on paid carers to help him each day with his personal care. Liam joined Equal Futures in 2015. However, his circle of support didn't get going at the time. In 2020, Liam said that he wanted a befriender, a circle of support and to be involved in Equal Futures' events. Although he has paid carers that he gets on extremely well with, he didn't have friends to go out with. Equal Futures advertised on different platforms for a volunteer befriender for Liam, but applicants didn't meet what Liam was looking for. At a Halloween High Tea event, Liam got chatting to Qalam, one of Equal Futures' Glasgow

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volunteers. They both hit it off straight away and Liam told the Glasgow Project Co-ordinator, Donna, that he thought they might be a good match. Liam, Qalam and Donna met up for a chat about Qalam becoming Liam's befriender. Liam and Qalam then made plans to meet up for a coffee the following week. They now meet up on a weekly basis and do different activities. Liam is happy and it is going well as they both have a lot in common and he looks forward to arranging the weekly catch ups.

Liam has been a great ambassador for Equal Futures and took part in a show at Pulse Radio in Glasgow, promoting Equal Futures services and advertising for volunteers. Liam would love to eventually be one of Equal Futures' trustees.

Throughout the year, Gig Buddies operated solely online, delivering social events over Zoom and Facebook. They continued to recruit and train volunteers online and were still able to create 20 new Gig Buddies pairings.

Early in the lockdown, Gig Buddies were keen to understand how members' lives and support had changed. A survey indicated how members had been affected, how Gig Buddies could support people to stay in their social networks and how Gig Buddies would need to change to during the pandemic.

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Over the course of the year, there were a total of 172 events with a total attendance of 2082 people, with 53% of members attending one or more online events.

Many members made new friends and said that Gig Buddies had a positive impact on their mental health throughout the pandemic.

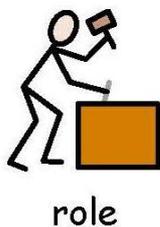
Members' usual formal support arrangements changed throughout the lockdown and many either received reduced or no formal support in their lives. 'James' lives on his own and gets a small number of support hours each week: "I only see my support twice a week for a few hours at a time. If I don't have anyone to talk to, the days can feel long. I've found it hard due to the fact that I live on my own."

Another member commented: "This is keeping me going, getting to do my DJ night is brilliant. Music is my lifeline. I'm struggling sitting in the house bored and it keeps me from getting down and depressed, getting to have a laugh and a carry on here. I've never had so much enjoyment and felt so supported."

Many project members have also discovered new interests through Gig Buddies' online events. Kirsty has become a keen baker after coming along to our first bake-off event: "Since we've done the bake-off, I've been baking my own cakes every week. I've discovered the cheating way of baking; using mixes from the box, but it's still good fun."

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The Role of Thera Trust

Thera Trust is the parent charitable company of the Thera Group. It has several distinct roles:

- ✓ The guardian of Thera's Vision and philosophy
- ✓ As a registered charity overseeing the Group's charitable activities and resources
- ✓ The governing parent company of the other 31 companies in the Group
- ✓ In delivery of special charitable projects, research and co-ordination of group-wide fundraising
- ✓ In the provision of social investment grants to organisations and individuals
- ✓ A provider of central support functions to the Group

In its registered charity role, Thera Trust has ultimate accountability to all the people supported by Thera companies, as its beneficiaries, to ensure that Thera fulfils its charitable objectives as set out in its governing document, operates for the public benefit and complies with charity law and uses its charitable resources in the best interests of those beneficiaries. It also has a responsibility to ensure that the support and services provided by Thera companies meet the needs of its beneficiaries and are provided within the terms of its charitable objects.

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Thera Trust also provides support and advice to subsidiary companies offering people with a learning disability company membership of their local Thera company, in line with Thera's Vision. Matthew Smith and Jenny Garrigan, Directors of Quality and Involvement for Thera Trust, provide mentoring to Thera's paid executive directors with lived experience of learning disability in their leadership roles, as well as to the increasing number of non-executive directors with similar lived experience.

"My name is Matthew Smith. In this small piece in our annual report, I would like to start by saying that, in all of our minds, has been the Covid-19 pandemic and its impact on the people we support and the staff we employ. So many things have changed in how we live our lives and how we work. We always have in our minds the loss of people from Covid-19 and those who have been bereaved.

There have though been some good things in the way we work coming from those changes. I have been able to be more connected with the Service Quality Directors, and their Executive Assistants, through online meetings. This is not as good as meeting in person, but it has meant that I have been able to talk with people more often and to check in with them to see how they are getting on. The Service Quality Directors and their Executive Assistants have been very creative in how they have continued to carry out their work. I know that this has not always been easy.

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Jenny has had to do a lot of other extra work because of the Covid-19 pandemic. This has meant that she has not been able to meet with people as often as we would have liked. However, this has been good for me and my professional development. It has helped us both think about how we work together, and we spent some time working through our strategic plan priorities and how best they can be achieved.

In the autumn of 2020, Thera Trust's board received a paper from me about the work that I do, and they agreed to increase my working hours. There was then a plan for me to recruit my own Executive Assistant to support me to carry out key pieces of work that I'd like to do, away from my work with Jenny in our joint role. This will help us move forward on our strategic plan. Jenny and I will continue to share the job of Director of Quality and Involvement, by planning together and with our other colleagues on the equal executive team, and to do some pieces of work together and some separately. We are both looking forward to seeing our role evolve.

We ended the previous year talking at a conference about leadership by people with a lived experience of learning disability. Of course, nothing like this could happen this year. I am, however, enjoying working with our new co-chairperson's Michelle McDermott and Sally Warren. I look forward to seeing the impact of the co-chairperson role, both on how I do my job and how Thera develops."

Thera Trust

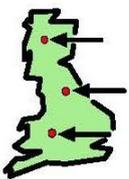
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As the parent company of the Thera Group, Thera Trust has overall responsibility for a variety of governance matters including the appointment of directors to company boards, the strategic planning and monitoring of the Group and a range of regulatory responsibilities.

Thera Trust aims to support people to have a voice as citizens and increasingly leads a range of specific charitable activities and projects. Thera Trust also leads the Group's fundraising efforts, drawing on skills and experience in other companies in the Group. We seek to influence and make a difference generally for people with a learning disability both locally and nationally.

Thera Trust also provides a range of specialist corporate functions to companies across the Group and can also provide services directly to individuals with a learning disability, such as payroll services to individuals who wish to employ their own staff.

Where Thera Works



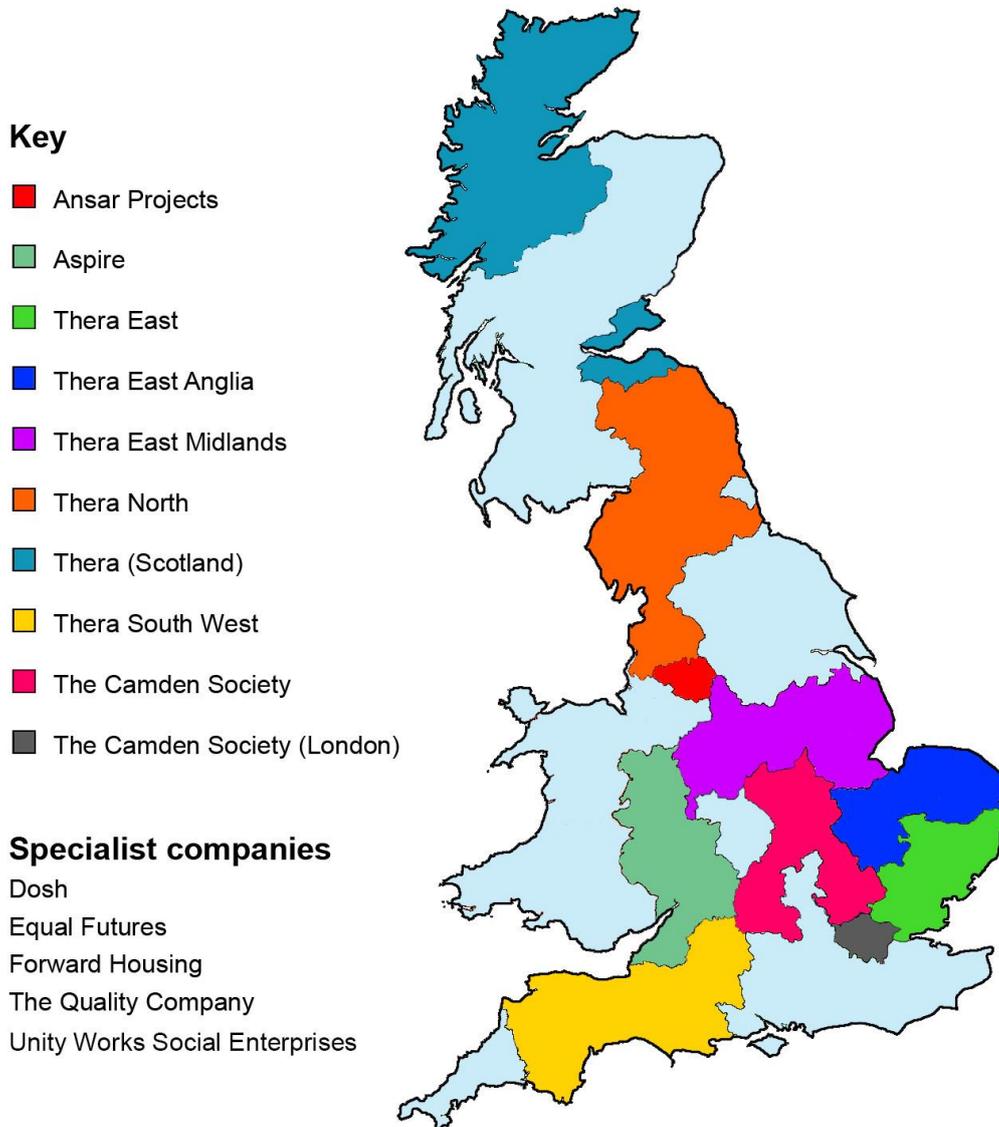
location

During 2020-21, Thera companies continued to support people in many parts of England, in South Wales, in South East Scotland and the Highlands.

Thera Trust

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This map shows the areas that Thera covers:



Even so, our ambitions for the people we support are not bound by our own geography! Ansar Projects' virtual "walk around the world" was set up with charitable funding to encourage people to keep exercising during the first lockdown. The journey took in Barcelona, New York, travels in Mexico, Brazil, and South Africa before travelling to Sydney, then to Beijing and the Great Wall of China, travels in India, Egypt and Turkey and with a final stop in Moscow! Pedometers

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were a great success and an incentive for people to go out and clock up the miles.



manage

People with a Learning Disability Help Direct and Manage Thera

People who are supported by Thera have a lot of influence on how their Thera regional company is directed and managed, as well as leading the design and delivery of their own support.

People can be company members, as can families / carers and staff, of their local Thera company; and they are then consulted on a range of important issues that affect the organisation. Company members can also elect an independent director to represent their views on their local company board.

“During the last year, I have been amazed at the resilience and fortitude both of the people who provide support and the people we support throughout the South West. Those who provide the support have adapted well to online meetings and mutually adjusted the routines for those they support, so they have continued to have a good life throughout; full of opportunity and experiences. Through the endeavours of the senior team, they have increased the number of company members and members now have greater involvement in determining the future plans of the company. This is a foundation stone the company will build on during the year ahead.

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During my visits I have witnessed the happiness of the people we support first-hand, who, despite the pandemic, have found new hobbies and experiences to fulfil them. As we came out of the restrictions, it was good to see so many getting out and about again and realising the full extent of their personal plans. There is no doubt in my mind that the people we support have thrived this year and that is down to the hard work, professionalism, dedication and imagination of the people who provide that support. They inspire me beyond words.”

Graham Belgum

Independent Director, Thera South West

In addition, people with a learning disability are employed as paid executive directors and in a number of other posts across the Group. Directors with a learning disability are responsible for overseeing the quality of the work that Thera undertakes.

23

23

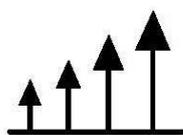
Thera is 23 Years Old!

Thera Trust was incorporated on 6 July 1998, as a not-for-profit company limited by guarantee and having no share capital. Thera started trading in August 1998, supporting five people in Cambridgeshire. Thera was registered as a charity on 18 January 2002.

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The company was established under a Memorandum of Association which established its objects and powers and is now governed under an updated set of Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.



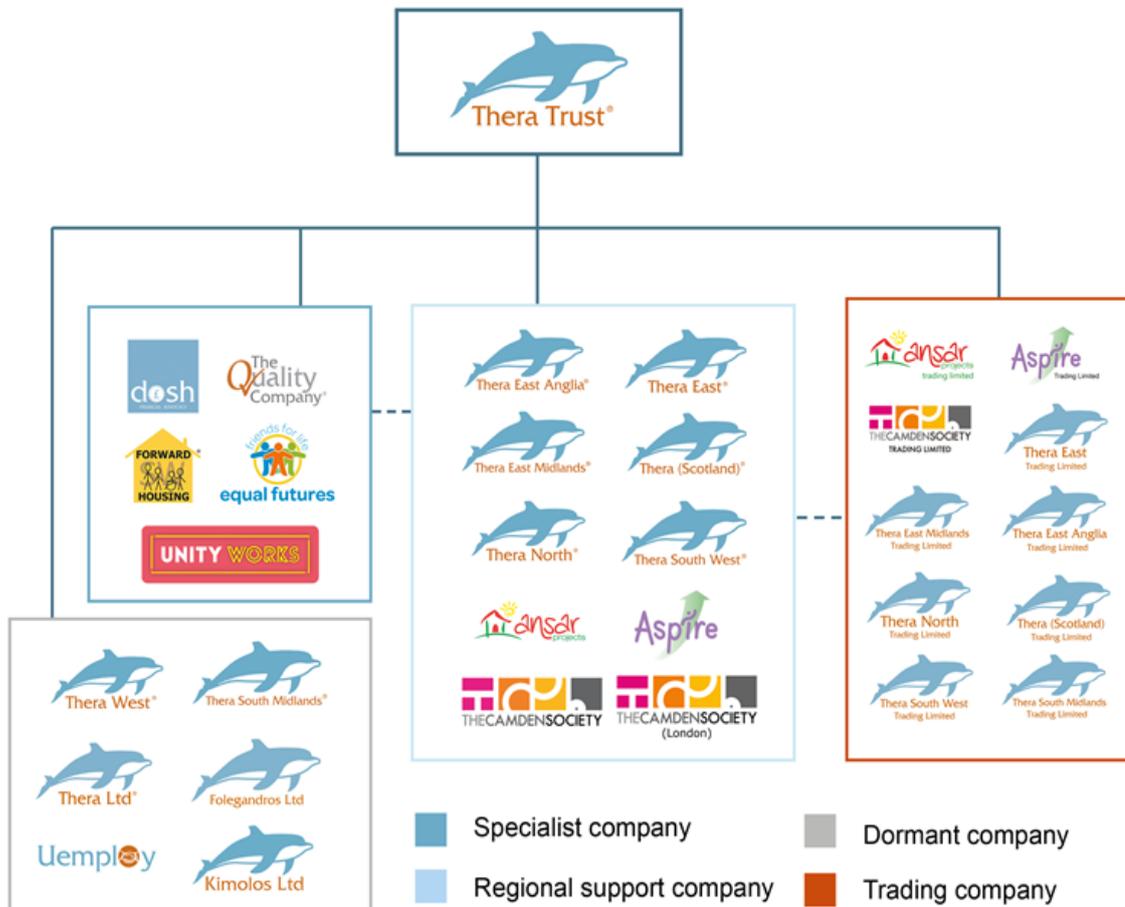
growth

There are 32 Thera Companies!

As Thera has grown and developed, it has set up a group structure to continue supporting people through a number of smaller, locally focused subsidiary companies as well as with specialist services delivered through national companies. This means that the boards of individual companies are able to govern their company taking decisions which are aligned to the needs and wishes of their specific beneficiaries and customers, involving people with a learning disability in the direction and management of their local company and engaging closely with the local communities in which they work.

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Previous annual reports have set out the history of each of the companies as part of the Group's development.

On 22 April, 2020, Forward Housing SW changed its name to Forward Housing.

The board of The Quality Company had decided to change its status from that of a share-holding company to that of a not-for-profit company. On 7 May, 2020, a new not-for-profit company was incorporated, named Kimolos Ltd. The Quality Company and Kimolos

Thera Trust

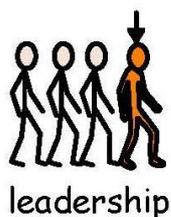
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Ltd. Then swapped names on 3 June, 2020. The operations, staff and balance sheets of the original company transferred to the new legal entity during 2020-21 and in due course the old entity will be wound up.

After the year end, Equal Futures changed its articles of association to strengthen its governance arrangements and accountability to its members - the people it supports and their families.

Thera Trust intends to conclude its review of the dormant companies currently in the Group over the course of the year ahead.

Details of each individual company's activities and money can be found in their respective annual reports and accounts.



Leadership by People with a Learning Disability

Each regional company within the Thera Group has a paid Service Quality Director post on its board or senior management team, responsible for monitoring quality assurance and the design of new types of work as well as representing the views of people with a learning disability on the board and elsewhere and ensuring their influence on the organisation's decisions. These are paid executive roles. We were really pleased in May, 2020, to be able to appoint Jordan Allan as Thera (Scotland)'s new Service Quality Director. After the year end, The Camden Society (London) appointed Kiran Kaur as their first Service Quality Director.

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Each Service Quality Director is expected to bring their experience of having a learning disability to the way the board leads the organisation. There are now posts for twelve paid / remunerated directors with a learning disability across the Group. Some of Thera's specialist companies are also now considering such roles.

Jordan Allan, Service Quality Director for Thera (Scotland) was invited to speak at the Scottish Commission for Learning Disability Employment Webinar, where he presented his employment journey. To find out more, you can see Jordan in action at <https://vimeo.com/503019472> [at 12m35s in, if you do not have time to watch the whole debate!]

Other companies within the Group are also structured to ensure significant involvement of people with a learning disability as members, shareholders, directors, and staff.



staff

Thera Employs Good Staff

At the end of the year, the Thera Group employed over 3,300 staff (31 March, 2020, - 3,400), the majority of whom are support workers. The decrease reflects some reduction in the number of people supported and the volume of activity through the course of the year, which is described earlier in the report.

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

During the year, staff were on the front line of Thera's work to support people during lockdowns and other periods of restriction. The challenges they faced were enormous and sustained over many months.

Their priority was always to ensure the safety of Thera's beneficiaries in the face of Covid-19 and related risks. The need to use personal protective equipment at all times made day to day activities much more difficult and uncomfortable. They were asked frequently to cover for colleagues who were isolating or shielding. Despite this, levels of sickness across the workforce were generally no higher than in a normal year.

Individual staff went to often extraordinary lengths to ensure that the impact of Covid-19 on beneficiaries was kept to a minimum. This included sometimes leaving family to stay in someone's house if that person had tested positive, or working extra hours when a colleague couldn't get to work because they had tested positive.

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It is difficult to put into words what our staff achieved during the year. Their resilience in the face of adversity has been remarkable.

Trustees were pleased to be able to make a thank you payment to every member of staff in January, 2021. It was though inadequate to the task of expressing gratitude owed.

Laura⁷

“Before joining Thera (Scotland), I was working in Santiago, Chile in a national newspaper and volunteering in Fundación Abrázame, a foundation for children and teenagers living in children’s homes. This experience convinced me of my passion for acting for change and social work. Because of the pandemic, I lost my job and decided to go to Scotland, my dream country. Three months later, I started looking for a job [and] discovered Thera (Scotland). I was not convinced by the “factory” system of many care companies visiting x number of patients each day. Reading about Thera, where support workers actually know the person convinced me I wanted to work there.

I started work and met two of the people I would be supporting. It has been an interesting learning experience that I have enjoyed. My team’s approach is different from others, as we are working with people with complex needs and multiple conditions, which makes good teamwork essential. We need to be able to count on each other,

⁷ Edited from Thera (Scotland)’s annual report

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communicate a lot and develop trust. Developing trust with the people we support is hard, but it is at the core of our work since nothing can actually be achieved without it but when achieved, it is a significant accomplishment!

I became a key worker, recognition for which I am grateful. I love the fact that I know the person I support really well - her needs and what she likes and doesn't like and to know that I can support her in making decisions based on this information. She has complex needs and most days are not easy for her, but when she has a laugh and makes jokes, it fills us with joy, and we are very proud to see her happy.

I now am very confident in my work thanks to my team co-ordinator, who has always been very supportive. My colleagues are great. I am looking forward to working with more people over time. The opportunities for learning and development in social care are endless and if you are able to embrace them, it is an amazing experience. My hope is that with the ease of the lockdown, people we support will be more able to enjoy life and start planning exciting adventures for the summer."

Laura's Manager, Scott said "I was very pleased to see nominations put forward for Laura at our 2020 Staff Awards and for her to win in her category. Laura has a bright future ahead in social care and I just want to extend my thanks to a great young lady, who is inspirational and leads by example."

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As befits an organisation with Thera's Vision, we are committed to ensuring that all job applicants and employees are treated fairly and valued regardless of gender, 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 for employment within the Group.



A number of companies in the Group have achieved the status of a Disability Confident Employer, which recognises that our systems and processes are adapted to encourage the recruitment of staff with a disability and to support them in work.

As well as the now established staff awards scheme, which are under the control of our Employee Consultative Councils in several companies, individual companies continue to explore further initiatives such as long service awards. Thera Trust has continued to maintain its support of these schemes with a £50,000 annual investment.



Company News from 2020-21

Annual reports necessarily highlight key events, achievements, themes, and organisational matters. We should not though forget that, on a day to day basis, Thera now supports around 3,000 people with over 3,300 staff. It remains the case that well over 6,000 people

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therefore rely on the organisation directly in one form or another; not counting people's families and community stakeholders! This is the core of what we do as you can read from the many stories from people we support and members of staff included throughout this report as well as in our Social Impact Report, individual company reports and through our various social media channels.



specific

Some specific company news from last year is also worthy of report

As much of the year was dominated by the organisation's response to the pandemic, specific company news this year is more limited. A number of new executive leaders were appointed during the year and we welcomed new Managing Directors Sarah Clark to Thera East Midlands, Jayne Laidlaw to Equal Futures, Ben Lanes to The Camden Society and Claire Hilton to Unity Works Social Enterprises; as well as Jordan Allan to Thera (Scotland) as Service Quality Director.

Ben Harrison joined Forward Housing as its Managing Director at the end of September. Ben has worked in social housing for much of his career and has more than 20 years' experience of working with and alongside people with a learning disability, most recently with eight years as Head of Housing for United Response. He replaces Gareth Jackson who has joined the Forward Housing board as a trustee. We are immensely grateful to Gareth for all that he has achieved and delighted that he will continue to play a part on Forward Housing's development.

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We were also delighted to appoint Thera's first Head of Impact Management, Meike Beckford. Meike has been working with Thera for eight years and her first objective will be to review our current Social Impact Framework, which has now been in place for five years, before leading on production of our next report.

Further leadership appointments in Aspire and in Thera Trust's Central Functions were made after the year end. Combined, these appointments, alongside others noted elsewhere in this report, considerably strengthen Thera's leadership for the future.

The induction of new leaders, and of unremunerated non-executive trustees / directors in various companies just prior to the start of, or during, the year proved particularly challenging. Most contact – getting to know people supported and staff teams, induction sessions and board meetings – either could not take place or was necessarily undertaken online. This has meant the need to plan for more intensive induction and related activity during 2021-22.

Unity Works' employment team received a "highly recommended" in the Employment Related Services Association (ERSA) Employability Awards 2020.

Thera was asked to partner NHS England's project to address acute health deterioration of people supported in social care. The project aims to make the "Restore 2" mini assessment tool accessible to social care workers, people with a learning disability and families,

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creating "common language" with health professionals to describe a person's health norms and changes in health. A number of Thera's other Service Quality Directors were then engaged in partnership working with the NHS on this project.

Further news and stories can be found in the reports of each individual company.



money

Thera'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's Articles of Association, applicable law, and the requirements of the 'Accounting and Reporting by Charities, Statement of Recommended Practice' and FRS102⁸.

Thera's money in 2020-21 was dominated by the effects of Covid-19. On the one hand, areas of Thera's work needed to pause or cease altogether; and some people chose not to be supported for periods of time. This reduced the Group's turnover. Moreover, additional costs were incurred, notably in relation to the purchase of personal protective equipment or the exceptional use of agency staff where whole staff teams suddenly needed to isolate. However, as well as increases in contract prices, additional funding was also provided both by national and by local government. This supported some of

⁸ Please note that some March, 2020 figures have been re-stated in relation to changed pension liabilities

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the costs of those staff who were furloughed, of personal protective equipment, and of covering staff who needed to shield or to isolate or otherwise be absent from the workplace.

Thera's income in 2020-21 still continued to come largely from contracts with local authorities or NHS organisations. Contract income from these public bodies is largely on an individual basis, although the extent to which people with a learning disability themselves have a say in how their local authority spends money on their behalf varies considerably across the country. A limited amount of income continues to come directly from individuals supported by Thera, who are taking advantage of the control that Direct Payments and Individual Budgets gives them. Rental income again increased, reflecting the increasing number of investment properties provided by Forward Housing.

Group incoming resources in 2020-21 were £79.2m (2019-20 £73.0m restated). As well as exceptional income, the increase reflects a reduced number of people supported offset by price inflation. It also includes exceptional Covid-19 related income of £+3.8m which covered definitively exceptional costs of £-3.9m. A surplus was also made on the sale of two properties by Forward Housing, contributing £+0.5m exceptional income.

During the year, the Group retained a surplus from its charitable activities of £+1.7m (2019-20 £+557k), before net exceptional income £+136k (2019-20 net exceptional costs £-328k). As a result, net income

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before changes in the value of investments and pensions was £+1.8m.

The Trustees undertook a review of the value of its leasehold and freehold property, which indicated a decrease in value across all properties of £-0.5m.

One company introduced to their balance sheet a liability relating to a final salary pension scheme. After the year end information was made available allowing the company's share of pension scheme assets and liabilities to be determined. This resulted in its prior year results being re-stated. Actuarial losses from this and another defined benefit pension scheme were £-0.9m.

As a result of all of the above, a net £+0.4m was added to the Group's reserves at the year end.

Covenant EBITDA⁹ (before exceptional items) was £+3.1m (2019-20 £+1.5m).

Several companies in the Group - The Camden Society, Aspire Living, Equal Futures, Unity Works Social Enterprises and Forward Housing - are registered charities in their own right. Other than Forward Housing, each has some success in local fundraising

⁹ Covenant EBITDA – earnings before interest, tax, depreciation and amortization and exceptional costs, which measures the company's operating performance, calculated here in line with Thera Trust bond terms and conditions.

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activities, the details of which are reported separately in their respective reports and accounts.

Net charitable income and reserves are applied by Thera to the benefit of people with a learning disability through the Group's wider charitable objectives. This may be through support to smaller companies in the Group or specific charitable projects. During the year, trustees again made a number of monetary grants to individuals to meet specific requests for financial support. Trustees have also maintained the discretionary fund to reward individual members of staff who demonstrate a particular contribution to the Charity's objectives.

Details of the results for each of our subsidiary companies can be found in note 15 to the accounts later in this document and in their individual separately published accounts.

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Investor Support



We're really pleased to continue to be supported by a range of individual and institutional investors.

During the year, we again saw some limited trading of our 2018 bonds on the secondary market at prices above par.

In July, 2020, we launched our fourth charity bond, again with the valued support of Triodos Bank. We were pleased to see an even larger number of new investors start supporting Thera. We were once again able to close the issue early with a further £5m of funds committed.

We really are immensely grateful to all those organisations and individuals who have supported Thera by investing in our bonds and for those individuals and organisations who helped in bringing them to fruition.

In particular, we are grateful to Rathbone (Unit Trust Management), Rathbone Greenbank, Bridge House Estates, CAF Venturesome, Treebeard Trust, Big Society Capital, Tuixen Foundation and The Rafael Trust for their invaluable continued support, alongside many individual investors.

In addition to funds from our charity bonds, we continue to have access to funding under our agreement with Cheyne Capital made

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available from their Social Impact Property Fund. This facility was re-negotiated during the year at a more favourable financing rate, reflecting, in particular, the continued demand for high-cost single person adapted accommodation. These funds, along with charity bond funds, will continue to provide substantial opportunity for Forward Housing to make property available to individuals supported by other Thera companies with a consequent impact on turnover and trading surplus.

During the year, Forward Housing purchased 2 properties at a cost of £695k. A further four properties were leased under the agreement with Cheyne. In total, these provide somewhere to live for 12 tenants.



money

Reserves

The overall results for 2020-21 had a positive impact on the Group's reserves. Net assets at 31 March, 2021 were £+12.0m (31 March 2020 £+11.6m restated). Thera's reserves were made up as follows:

	£,000
Unrestricted Reserves (incl. Re-Valuation Reserve)	11,590
Designated Reserves	40
Restricted Reserves	385
Total Reserves at 31 March, 2021	12,015

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cash

Cash and Working Capital

At the year end, net current assets were £+12.4m (31 March, 2020 £+5.8m). This significant increase in particular reflects Thera's 2020 £5m charity bond issue as well as the underlying trading result of the year. The bond issue is also reflected in the increase in long term creditors.

The successful raise of £5m. from a combination of institutional and retail investors offered an annual return of 5.25% over six years. £2m. of funds raised was used to redeem Thera's second 2015 bond issue, it's second charity bond redemption. We were pleased that some investors chose to roll-over a total of £887 k from the 2015 bond into the new 2020 issue. In addition, £10.5k. of Thera's 2018 bonds were sold from treasury during the year at above the issue price.

Planned property purchases in the year were delayed as a result of Covid-19. Cash spent on investment properties was only a third the level in the previous year.

Operating cash increased by £+4.4m., reflecting the overall trading results as well as additional funding received to support the challenges of Covid-19. Overall cash therefore increased over the year by £+6.7m (2019-20 decrease of £-2.7m) for the reasons outlined above.

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Thera's Treasury Management Policy allows only ethical investment of cash balances in money market deposits, UK commercial paper or bonds or sterling certificates of deposit.

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well

Thera Uses its Money Well

Reserves Policy

Thera's Reserves Policy is for the Group's overall reserves to be neither too big nor too small and to be sufficient to meet the needs both of the whole Group and of individual companies within it.

Trustees recognised during the year that, were it not for changes in pension liabilities, the reserves target in place would have almost been met as planned. Moreover, turnover and the Group's complexity has increased since the original reserves policy had last been reviewed.

Trustees have therefore, as intended, approved a new reserves policy based on an internal assessment of Group risk adjusted free reserves ("RAFR"). The policy assesses working capital adjusted for collectability of debtors, non-payment of creditors and cash available from financing against fixed assets and investments.

The policy aims to have RAFR equivalent to at least 3 months of budgeted Group turnover. For the year ending March 2022, based on budget turnover, RAFR should be £19.9 m.

Whilst charity free reserves were £+12.4 m, RAFR were calculated at £+18.3m at the year end.

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In addition, Thera Trust's own charitable free reserves (cash at bank) were £+5.8m at the year-end (31 March 2020 (re-stated) £+0.4m). The charity's own free reserves are important because they emphasise Thera Trust's ability to be able to support individual entities or specific charitable activities.

The updated Reserves Policy continues to allow Thera to:

- ✓ Continue to fulfil its charitable objectives
- ✓ Pay for emergencies and other events that it cannot plan for
- ✓ Make sure that there is flexibility in the running of the Group and for its development
- ✓ Provide money to pay for one-off things, such as grants to people
- ✓ Show to customers that the Group is financially strong
- ✓ Provide support to companies in the Group, or who wish to join the Group, should this be necessary
- ✓ Enable, alongside performance against financial covenants, the Group to redeem bond obligations in 2024 and 2026

It is expected that Thera's reserves will increase in future years such that the RAFR target will be met by March, 2024.

Trustees have had regard to the above, and current and future year's budget and financial performance, as well as undertaking scenario modelling, and have reviewed material risks and uncertainties in determining that the accounts should be prepared on a going concern basis. As ever for social care providers, the only material uncertainty

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is the level of funding, largely through price inflation, that local authority and NHS commissioners will agree in future years.

Several smaller companies in the Group have a negative balance sheet. These have arisen in general as those smaller companies started supporting people in a new area of work for the Group. In the case of The Camden Society, instead this is as a result of longer term poor financial performance. Thera East Midlands has developed a deficit balance sheet as a result of the introduction of pension scheme liabilities which are explained later in this report.

Now that the restrictions from Covid-19 have eased, commissioning activity by local authorities is returning to some level of normality. It is still expected that companies will support more people in the future allowing balance sheet deficits to be eliminated over time. In the case of regional companies in this position, these will be a specific focus for development activity in the years ahead. Alternatively, Thera Trust will continue to support financially those entities which provide necessarily loss-making services to its beneficiaries.



finance

Financial Covenants

Thera had an obligation to perform positively against three key financial covenants¹⁰. The following table shows that in the year to

¹⁰ Calculation of covenant EBIT/EBITDA is different to accounting EBIT/EBITDA. Details can be found on the investors' page of Thera's website

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31 March, 2021, Thera met each of the three covenants. Further details can be found on the investors page of our website.

	Target	Performance
Net Asset Cover	130%	226%
Interest Cover (EBIT)	250%	406%
Interest Cover (EBITDA)	300%	551%

Percentage performance against covenant targets was higher than the previous year as forecast in last year's report. Covenant performance in 2021-22 is however expected to be tight as the exit from Covid-19 restrictions is proving complex, and considerable resultant workforce changes across the wider economy are materially impacting the social care sector.



Social Investment Policy

Thera Trust's Social Investment Policy allows Thera:

- ✓ To make social investment by way of loan and grant of contracts in accordance with the strategy of Thera Trust for providing services to individuals with a learning disability, their families and carers associated with the Thera Group
- ✓ To make loans and grants available to companies within the Thera Group
- ✓ To make programme related investments by way of grants or loans to organisations outside of the Thera Group

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During the year, Thera committed to support the continued development of its smaller and charitable subsidiary companies with working capital as necessary in line with funding agreements within the Group and in line with this policy.

In particular, Thera Trust once again made social investment grants to The Quality Company, Equal Futures, and to Unity Works Social Enterprises, recognising their activities are specifically to advance Thera's charitable objectives.

The remaining investment arising from the original purchase of Ansar Projects was written off during the year, consequent upon the change in corporate structure from a profit-making to a not-for-profit company.

Pensions Liability

The valuation of the Social Housing Pension Scheme in the year to March, 2020 was impacted positively by a high discount rate and low inflation assumptions against the backdrop of Covid-19. In the year to March, 2021, however, a combination of factors led to a deterioration in the defined benefit liability. Strong asset performance was more than offset by a lower discount rate and higher inflation rate assumptions. In addition, the Government's RPI Reform relating to future inflation measures meant that CPI inflation linked assumptions were higher than the previous year. As a result, the net pension liability for this scheme has increased from £-383k to £-814k.



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Annual additional deficit contributions continue to be made in line with a plan set by the Scheme's actuary.

A number of Thera companies participate in the Local Government Pension Scheme ("LGPS") for staff who have transferred under TUPE regulations. In all but one case, liabilities are effectively underwritten by the relevant local authority. In the remaining case, an employer-specific valuation has now been provided by the LGPS, setting out the assets and liabilities attributable to Thera. Whilst the actual funding level of the scheme is in surplus, on an accounting basis, a prior year liability of £-488 k has been brought on the balance sheet. For similar reasons as above, this further increased in the year to March, 2021 to £-825 k.

As well as in year costs, the combination of these two schemes has impacted Group reserves negatively at the year-end by £-865k.



Thera's Directors (Trustees)

Members of the board of directors, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are shown in the company information at the start of this report and accounts.

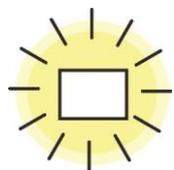
Thera Group is run by a team of executive trustees, each equally responsible for the overall strategic direction and performance of the organisation and one of whom has a learning disability. This structure

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serves our philosophy. It enables the director with a learning disability properly to say that they are at the top of the organisation and accountable directly to company members and beneficiaries. They are treated equally to colleague executive directors in terms of status and pay and have an equal status around the board table as an executive without their voice being filtered, and the equal team structures means that the leadership of the organisation is not represented by a single figurehead. There is no clearer demonstration of Thera's Vision and its commitment to it, both internally and externally. The status of the director with a learning disability in this structure provides leadership example, confidence and ambition for other directors with a learning disability across the Group and more widely, and also provides a clear focus for the cohesion of Thera's culture.

In addition, but less importantly, we recognise that the equal team has now effectively become an integral part of Thera's brand.



new

New Thera Directors

Last year we reported our intention to appoint two co-chairs to lead the Thera Trust board. We're delighted that Michelle McDermott and Sally Warren joined the board during the year. Michelle brings her lived experience of learning disability to the role as well as her experience of supporting adults with a mild to moderate learning disability. Alongside her role at Thera, Michelle also works at Paradigm as associate co-facilitator, at Generate as a co-trainer for

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the Easy Health project and at Books Beyond Words as a facilitator. Sally is the managing director of a national training and development agency working to ensure people with a learning disability and / or autism are supported to live good ordinary lives.

Covid-19 meant that most board activity during the year was online. The structure and pattern of board meetings was adapted to ensure that strategy, governance, and monitoring activities suffered minimum disruption.

Across the Group, our various boards can accommodate almost 100 unremunerated directors. We are constantly therefore on the look-out for non-executive directors / trustees to maintain the effective governance of the Group. We have continued to recruit both nationally and locally for directors / trustees, including people with a learning disability who wish to be unremunerated directors. In 2020-21, we've been delighted to welcome 22 new unremunerated non-executive directors / trustees, who broaden and increase the wide range of skills on our company boards.

We value the often unsung contribution that unremunerated directors/trustees make to the governance and leadership of the Group and to the interests of all our beneficiaries and staff.

The Chairmen from Thera's companies met twice online during the year to share news and ideas about good governance, board development and organisational strategy. This forum continues to be

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invaluable for developing the maturity and communications of an increasingly complex group and as a support network for individual chairmen.



Thera makes sure that it has Good Directors

Recruitment, Induction and Training of Trustees and Directors - Nominations Committee.

The Nominations Committee consists of two non-executive and two executive trustees. Its primary role is to manage and monitor the appointment of directors (both executive and non-executive) across the Group.

New directors and trustees are recruited through a process of open and fair recruitment. Recruitment follows a formal interview with existing directors / trustees, people supported by the organisation and members of staff.

Directors and trustees undertake a formal induction process to ensure they know the organisation and its aims and are aware of their responsibilities. During the year, the ability for face to face induction was curtailed and a series of online sessions was run instead. Face to face induction sessions re-started after the year end and some new directors have since chosen to attend these face to face sessions also. The experience of online induction has however provided some

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greater flexibility to deepen and broaden induction activity in the future.

All directors and trustees are subject to references and DBS checks.

The Articles of Association of Thera Trust state that the Board shall comprise a minimum of four and a maximum of fourteen directors; of which there shall be a minimum of one executive director and a maximum of five. The executive directors and the non-executive directors must each include at least one person with a learning disability. A similar expectation is placed on the boards of other operating companies in the Group.

The Board continues to monitor its contingent and long-term succession plans, in particular for the Group Executive Team. Chairmen and boards of subsidiary companies are encouraged to ensure that succession plans are in place for their board and senior management teams also.



Unremunerated Directors Decide About Directors' Pay and About Thera's Pensions

pay



pension

Remuneration and Pensions Committee

The Committee consists of three non-executive directors, who independently determine the remuneration of executive directors of Thera Trust and of Thera's subsidiary companies. In its remuneration policy, the Committee takes account of good practice guidelines in

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setting executive pay, including the principles set out in the NCVO's April 2014 report on Charity Senior Executive Pay.

The Committee's approach recognises Thera's unique approach to leadership, and the equal executive team structure working at the top of the Group in line with Thera's Vision. In setting the remuneration of the Group's executive team, the Committee takes account of the breadth of its leadership roles, their professional and functional responsibilities and their shared responsibility for the overall strategic leadership of the organisation. These are considered against relevant and appropriate market data of group structures of comparable size and complexity, and the requirements of the organisation's strategic plan. The Committee has agreed a detailed methodology for setting pay rates and makes its decisions in the context of Thera's decisions on the pay of its entire workforce.

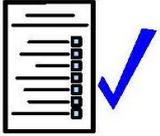
The Committee determined in 2020-21 that, in line with increases in staff pay across the organisation, basic pay rates for Thera Trust's directors would increase by 3% from 1 October, 2020. The detail of salaries is disclosed in Note 7 to the accounts.

The Committee also has responsibility for ensuring that Thera has in place adequate and appropriate pension arrangements for its staff, for ensuring effective consultation arrangements are in place with staff and to consider and address any potential liabilities. A report to the Committee reviewing Thera's pensions arrangements was necessarily delayed and will be considered during 2021-22.

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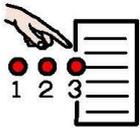
Further information on pension schemes across the Group can be found in notes 1(v) and 22 to the accounts.



check

Unremunerated Directors Check Thera's Money

Audit and Risk Committee and Auditors



audit

Towards the end of the year, Thera Trust updated the terms of reference for its Audit and Risk Committee. It now comprises one director from the Thera Trust Board and one from a subsidiary board, an external finance professional acting in a non-executive capacity and the financial and operational advisors to the Board from amongst the Group Executive Team. There were vacancies on the Committee during the year. The Committee met four times during the year. The Committee has recommended the re-appointment of Sayer Vincent as the Group's auditors for the 2020-21 accounts.

Imergo Limited took forward a limited internal audit programme of work during the year.



fundraising

Unremunerated Directors Help with Thera's Fund-raising

Thera Trust's fund-raising is overseen by the Fund-raising Committee, comprising people from across the Thera Group. The Committee leads our drive to increase the amount of income earned from fund-raising.

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During the year, Thera as a whole received almost £+0.8m (2019-20 £+0.7m) in grants, donations and gifts-in-kind which is targeted both at specific projects and in general support of our charitable objects. This represents 6x return on costs of £-131k (2018-19, £-95k). The increase in fund-raising costs reflects the start of building a larger, more specialist, fund-raising team.

Charitable companies in the Group - Aspire Living, The Camden Society, Unity Works Social Enterprises and Equal Futures – have each undertaken their own limited fund-raising activity, primarily to secure grants. They have made some use of their own staff resource to do so. There was no use of any commercial participator within Thera Group.

Fund-raising is delivered in a co-ordinated and centralised manner by in-house fund-raisers. Fund-raisers are focused on trust and grant income, which represents the vast majority of group fund-raised income currently, as well as laying the foundations for development of broader public fund-raising in the future.

All fund-raisers are expected to work in line with the Fund-raising Regulator's Code of Fund-raising Practice, which is used as a reference point by the fund-raisers when developing any new fund-raising activity or reviewing existing activity. We have no reported compliance issues and continue to review and update policies and procedures in line with the Code to ensure that compliance remains strong. We are registered with the Fund-raising Regulator.

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We do not undertake door-to-door, face-to-face or direct mail fund-raising and public fund-raising in general is currently very limited. As a result, the risk of fund-raising in relation to vulnerable people is extremely limited. Fund-raisers work closely with the Thera Trust's Communications Team to ensure that fund-raising communications are easy to understand, respectful of potential donors, provide clarity about the cause and do not mislead in any way. As public fund-raising activity increases in the future, the fund-raisers are planning to develop training for volunteers and other staff across the Group to ensure they understand the standards we aim to uphold and what to consider when it comes to vulnerable people and fund-raising.

Trustees are not aware of any complaints in relation to fund-raising activities. We have clear processes in place as to how complaints will be handled should they arise.



Unremunerated Directors Talk with Thera's Staff

talk

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

Staff are able to engage formally with the organisation as company members alongside people supported and family members and by electing representatives to a company's Employee Consultative

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Council (“ECC”), a sub-committee of their Board, providing a direct line of communication between directors and the workforce.

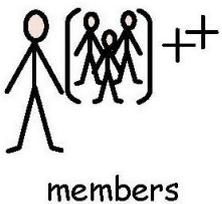
Thera has an established Employee Consultative Council structure in most companies across the Group. Employee Consultative Councils in those Thera companies are chaired by an unremunerated director and consider a range of matters relating to Thera’s staff. This includes sharing important information about Thera and finding out what staff think about important decisions that may affect them or, in some cases, formal consultation processes about workforce change.

The Employee Consultative Councils are the main formal mechanism for ensuring that Thera delivers on its philosophy of involvement in relation to its staff and meets its obligations under the Information and Consultation Regulations 2005.

People with a Learning Disability will be Members of Thera

Thera Trust’s Membership Committee oversees the membership of the company in line with Thera’s Articles of Association. The Committee is chaired by Matthew Smith, Director of Quality and Involvement.

Thera’s founding aim was to be “an organisation directly controlled by people with a learning disability”. All the main operating companies in the Group now have an active company membership comprising



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people with a learning disability, families / carers, and members of staff.

At 31 March, 2021, there were 79 company members of various companies across the Group. A number of companies are actively engaged in increasing the number of their company members better to ensure control by, and involvement of, the people that they support.



work together

Engagement with Key Stakeholders

Thera's approach to stakeholder engagement is built into its very structure.

- ✓ We have small local and specialist companies in order that their boards can be close to beneficiaries (people with a learning disability and their families / carers) and members of staff and can engage with the local communities in which they work.
- ✓ Directors with lived experience of learning disability meet face to face with beneficiaries and staff during the year both to assess the quality of Thera's work and also to take feedback to the board. They speak for the interests of beneficiaries around the board table.
- ✓ We promote company membership in order that our beneficiaries have a measure of control over the company that provides their support or that employs them.
- ✓ On some boards, an independent director is elected directly by company members and in that role formally represents the

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

interests of company members and beneficiaries in general to directors.

- ✓ Employee Consultative Committees enable staff to engage directly with senior management and board directors.
- ✓ Thera Trust directors are represented on each subsidiary company board and therefore have direct contact with beneficiaries through the above mechanisms.

Thera is part of the Care Quality Commission's Market Oversight Scheme with regular quarterly reporting and meetings held during the year to discuss matters of mutual importance.

Subsidiary companies manage relationships locally with local authority and NHS stakeholders. This may be through provider fora or formal contract meetings.

Within the Group, boards engage with one another through the Chairs' forum and peer liaison groups as part of internal stakeholder arrangements crucial to the effective governance of the Group.

Inevitably, the level and quality of engagement with stakeholders during the year was adversely impacted by Covid-19.

During the year, beneficiaries and staff were still involved in the appointment of executive and non-executive directors with face to face and virtual meetings, providing feedback to boards and Thera Trust's Nominations Committee. In some companies, beneficiaries

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

and staff were directly engaged in the compilation of annual plans in meetings with board directors.



environment

Streamlined Energy and Carbon Reporting (“SECR”)

Thera is committed to good environmental practices and to operating in a sustainable manner in accordance with legislative requirements. It aims to raise awareness of our impact on the environment amongst the people we support and our staff and to work in an environmentally friendly manner.

Our policy is wholly to support and comply with, or exceed, the requirements of current environmental legislation and codes of practice.

Thera is committed to continual improvement in preventing and reducing pollution occurring from our activities, minimising waste, and ensuring the reuse and recycling of goods and materials. We aim to set and review environmental objectives and targets, minimise energy and water usage in our buildings, vehicles, and processes and to increase awareness of energy efficiency. Thera will seek to operate and maintain company vehicles with due regard to environmental issues and encourage the use of alternative means of transport and car sharing amongst our beneficiaries and our staff. As far as possible, we aim to purchase products and services that create the least damage to the environment and encourage others to do the same.

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

For a second year, we have captured environmental data in the required format. We have been able to start to monitor our environmental performance year on year. Clearly our impact in 2020-21 was materially affected by Covid-19

Emission Type	Activity	2019-20			2020-21		
		kWh	tCO2e	% of total	kWh	tCO2e	% of total
Scope 1	Natural Gas	406,854	74.80	10%	448,936	82.55	21%
	Vehicle fuel	443,464	108.00	14%	283,551	68.21	18%
	<i>Sub-total</i>	<i>850,318</i>	<i>182.80</i>	<i>24%</i>	<i>732,487</i>	<i>150.76</i>	<i>39%</i>
Scope 2	Electricity	313,876	80.23	10%	242,444	56.52	15%
	<i>Sub-total</i>	<i>313,876</i>	<i>80.23</i>	<i>10%</i>	<i>242,444</i>	<i>56.52</i>	<i>15%</i>
Scope 3	Grey Fleet	2,109,693	502.08	66%	718,047	176.81	46%
	<i>Sub-total</i>	<i>2,109,693</i>	<i>502.08</i>	<i>66%</i>	<i>718,047</i>	<i>176.81</i>	<i>46%</i>
TOTALS		3,273,886	765.11	100%	1,692,978	384.09	100%
Intensity metric: number of employees			3354			3301	
Intensity ratio: tonnes of CO2 per employee			0.23			0.12	
Outside of Scopes	Vehicle fuel <i>Sub-total</i>					2.98 2.98	

11

We have used the number of employees as the base measure for the intensity ratio of carbon usage as being most representative of the size of the organisation. The resulting intensity ratio will then best reflect changes in operation and energy consumption over time. We have followed the GHG Protocol Corporate Accounting and Reporting Standard and we have used the 2019 UK Government's Conversion Factors for Company Reporting. The energy efficiency narrative methodology has been created based on energy

¹¹ "Grey Fleet" refers to the use made by members of staff of their own vehicle for work purposes

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

management best practice and we have used the financial control approach for the scope of this report.

We saw a material reduction in business travel and building use as a result of Covid-19. Overall in-scope emissions reduced by 50% and by slightly more than 50% per employee. Whilst this is not expected to be maintained at this level, along with the increased use of video conferencing and with staff more equipped to work from home where appropriate, we do expect ongoing reduced travel by employees.

Thera is considering introducing electric vehicles when more widely available and we intend more actively to encourage staff to drive vehicles with lower CO² emissions.



business

Related Party Transactions

Related party transactions are detailed in Note 10 to the accounts.



risk

Managing Risk

The Trustees have assessed the major risks to which Thera may be exposed through a risk management strategy, which is reviewed annually. Trustees review key and current risks at each of their meetings.

Key risks which are inherent in the nature of Thera's work include the abuse or neglect of vulnerable people, a failure by one of our

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

companies to comply with CQC fundamental standards or other regulatory requirements, or a failure to realise Thera's Vision.

The Group faces increasing risk to its ability to deliver its contracts and wider charitable activities and to its financial position from significant problems in the wider labour market. During the year, workforce levels were maintained, even though a proportion of the staff were unable to work due to Covid-19. As the pandemic has eased, workforce retention and recruitment has become increasingly difficult. As a direct result of their experiences through the various lockdowns and restrictions, some longer standing members of staff are choosing to retire or to move to part time working. Younger people at the start of their careers have seen the portrayal of social care in national and social media and are choosing alternative career options. There is competition with other sectors in the economy and there is clear evidence of the beginnings of a wage / price spiral. Moreover, the announcement in autumn 2021 of mandatory vaccinations for social care workers is likely to see a proportion of staff leaving the sector.

The next steps following the previous year's workforce research study undertaken by Habit5 were inevitably curtailed during the year and attention is now turning back to these. In addition, trustees are planning an in-depth review of Thera's workforce strategy in early 2022. Particular attention needs to be paid to the sheer exhaustion felt across the workforce from many months worry – for themselves,

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

their families and Thera's beneficiaries - and of relentless activity to keep people supported and safe.

The social care market in which Thera operates continues to experience significant funding challenges as commissioners attempt to reconcile increasing demand within a tighter funding environment. Thera supports people with a learning disability in the main who have a substantial and critical assessed need. Accordingly, these individuals are at a much lower risk of having their support reduced because of funding challenges, with local authorities and commissioners continuing to prioritise this area of spending. Like all care and support service providers, Thera is exposed to a range of external factors that may put pressure on continuing the provision of care and support to a person with a learning disability. However, the specialist area of the market in which Thera works benefits from much lower levels of this pressure, as it is in both the commissioning body and the individual's long-term interests to maintain continuity of support, particularly of the high quality that Thera provides.

Nevertheless, whilst the volume of activity is likely to be maintained or increased, there is a risk that public sector funding constraints may impact on Thera's ability to meet the increasing cost pressures in the labour market described above.

In March, 2021, the Supreme Court ruled in an appeal against a Court of Appeal judgement. This clarified the law in relation to the National Living Wage ("NLW"), that the time a worker is asleep during a "sleep-

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

in”, does not count towards the calculation for national minimum wage purposes. This ruling removes historic and future cost risk relating to this issue both for Thera and in the social care sector as a whole.

The trustees have also identified inherent risks arising from:

- ✓ Smaller companies in the Group continuing to make a loss as a result of supporting too few people
- ✓ Continued challenges in public sector funding in the light of labour market cost inflation
- ✓ Not meeting financial covenants
- ✓ Damage to relationships with key customers
- ✓ Loss of key leadership and management
- ✓ Personnel risk and regulatory intervention either by CQC / CI or the Charity Commission
- ✓ Litigation risk especially in relation to developments in employment law
- ✓ Changes in legislation and investment performance related to pensions

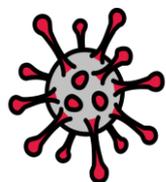
Trustees are satisfied that our companies have processes and systems in place to mitigate or minimise the incidence and impact of risks, acknowledging however that some remain outside the organisation’s control. In particular, each company takes a pro-active approach to risk management and trustees / directors review current and significant risks at each of their meetings.

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Thera Trust's Health and Safety Committee and those of subsidiary companies provide the formal mechanism for Thera jointly with staff safety representatives to fulfil their obligations under health and safety legislation and in line with their Health and Safety Policy.

Karen Boyce-Dawson, Director of Operations, is the Lead Director for Health and Safety within the Group and, on behalf of Thera Trust, she also takes the lead in ensuring that the Group meets its corporate body responsibilities under CQC and Care Inspectorate regulations. Managing Directors in subsidiary companies are the nominated individuals under CQC Regulations.



COVID-19

Covid-19

The accounts to which this report relates are for the year ending 31 March, 2021. There have been substantial periods of time during which Thera's activities have been disrupted or curtailed. During the year, Thera has maintained and constantly reviewed policy and guidelines in line with legal and regulatory requirements. Sufficient supplies of personal protective equipment were secured and maintained throughout the year. Governance, management and administrative activity was facilitated and maintained with access to online meeting facilities.

Throughout the year, a number of Thera's areas of work have needed to reduce in volume or to be suspended entirely. These included support to people in the community, support to people in venues

Thera Trust

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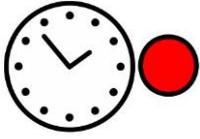
where people congregate, social enterprise cafes / shops / warehouses and short break services. Instead, activities have often been focussed either on providing greater volumes of support to more people at home, with, in many cases, staff being re-deployed to undertake this work rather than being furloughed, or alternative means of virtual support. Where activity levels have changed, income levels were sustained in many cases ensuring medium term stability once restrictions eased. There has been no material impact since the balance sheet date on financial performance or working capital as a direct result of Covid-19. Additional costs, for example on personal protective equipment, have been funded either in this way or with additional specifically targeted income.

Many of these factors have continued after the balance sheet date into the first half of the 2021-22 financial year.

The directors continue to ensure that they act in line with regulations, and guidance. Policy and guidance has continued to be issued accordingly and specific risks relating to Thera's work arising from Covid-19 are regularly reviewed and responded to accordingly as necessary.

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REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021



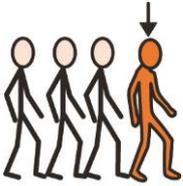
Since the Year End



property

Property Purchases

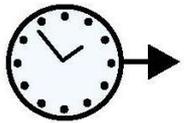
After the year end, Forward Housing purchased 3 properties at a cost of £1,435k.



leader

New Leaders

Since the year end, we've been pleased to welcome Chris Paul as the new Managing Director of Aspire Living and Kiran Kaur joined the Camden Society (London)'s board as Service Quality Director. Kiran is Thera's twelfth remunerated director with lived experience of learning disability.



future

The Future

Following curtailment of strategic plans during the year, the list of future activity is longer than usual as the Group seeks to catch up on its ambitions.



strategy

Strategic Direction

We continue to remember that our first responsibility is to the people we support, their families / carers and our staff and the coming years will continue to see us focus first and foremost on them. The trustees of Thera Trust have reviewed the organisation's strategic direction and, despite the challenges of Covid-19, no changes are intended to Thera's future plans. Clearly, some aspects of those plans may need to be adapted to meet the changed external context, particularly in

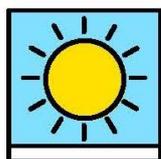
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REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

relation to the retention and recruitment of a skilled and experienced workforce.

As reported last year, so too this year - progress with our strategy since the end of the year has continued to be disrupted as a result of Covid-19. In general, this has meant some further delay to certain strands of activity rather than fundamental disruption or change.

In particular, we will continue to use funds from our charity bonds and from Cheyne Capital to provide “an ordinary house on an ordinary street” to those with a learning disability who need an adapted property in which to live. Our plans remain in place which aim to re-provide existing residential care services or otherwise inappropriate accommodation to enable individuals to take up a tenancy, some for the first time, and to live in property more suited to their needs and aspirations.



daytime

Daytime Support

Thera’s collaboration with Aldingbourne Trust and New Prospects produced a series of videos encouraging the start of conversations between people with a learning disability, families, local community leaders and businesses. It is hoped that the project can re-emerge as restrictions ease.

The Camden Society (London) will stop providing support to people in the Riverside Building in Southwark from January, 2022. Instead,

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

it is planned to develop its wholly community-based support in the borough and elsewhere in London.

In addition, as the use of venues for day-time support more generally is reducing, Thera's Thrive and related projects aims to promote people's independence of paid support, supporting them to do what they want to do, rather than having to fit in to defined services.



money

Thera's Money

Subject to the sector risks outlined above, Thera's ongoing operations and future growth are expected to see further increases in turnover and reserves in future years in line with the Reserves Policy. Turnover in 2021-22 is expected to exceed £75m, broadly similar to underlying turnover in 2020-21.

Planned Covenant EBITDA for 2020-21 exceeds £+1.8m, although the further impact of Covid-19 on trading remains to be seen.

Cash will continue to be invested in line with Thera's Treasury Management Policy.

Forward Housing continues to have a healthy pipeline of demand for properties and will continue to acquire and develop property using bond funds. Thera may also consider the issue of further charity bonds to meet this demand, subject to affordability.

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REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

At the time of writing, the Government has announced further increases in the national living wage as well as increases in national insurance to fund health and social care. 2022-23 is expected to see operational cost increases by at least 6.5% as a result. It is uncertain the extent to which this will be able to be funded by contract price increases.



infrastructure

Group Infrastructure Development

The plan agreed by trustees in 2019 to develop Thera's infrastructure, intended to ensure that the Group remains sustainable as it supports more beneficiaries and works within the continued challenges of the social care sector of the economy, did not progress as anticipated during the year. This important area of work has re-started and is expected to progress rapidly through 2022.

The plan includes work to strengthen and mature subsidiary boards, develop our leadership, including those roles for people with a learning disability, and invest in technology to make our operations more efficient.

A number of subsidiary boards need to recruit more non-executive directors / trustees with an increasing focus on diversity and community representation. This includes the need for a number of chairpersons. There is an intention to review the role of the subsidiary chairperson as part of its plans to ensure that the Group's future governance arrangements remain strong and effective.

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

Thera is recruiting to a new Head of Governance role to oversee this work.

The Camden Society and Aspire Living are expected to update their articles of association during the year as part of this plan.



Care Quality Commission Regulation

The Care Quality Commission are running a pilot to test proposals to register providers that direct or control care delivery, for example through a group structure like Thera's. They want to make sure that all people responsible for carrying out a regulated activity can be held accountable for the safety and quality of services provided. Their view is that a parent company may do this by, for example, setting policy frameworks, controlling resources, making senior appointments, etc.

It is expected that enhanced regulatory arrangements will be introduced in 2024.

Disclaimer

The content of this report and, in particular, the financial information and any forward-looking statements, is provided for information. Except where stated otherwise, the financial information is unaudited and may be subject to change. As a result, the information should not be relied upon to make investment or any other decisions

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REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

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

DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved under Section 418 of the Companies Act 2006 has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- that director has taken all steps that ought to have 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.

Thera Trust

REPORT OF THE DIRECTORS AND TRUSTEES (INCLUDING STRATEGIC REPORT) year ended 31 March, 2021

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

RE-APPOINTMENT OF AUDITOR

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

The report of the directors and trustees, which includes the strategic report, has been approved by the trustees on 14 December 2021 and signed on their behalf by:



Simon Conway
Trustee / Secretary



Jennifer Garrigan
Trustee

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

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 Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, 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 and the Charities Act 2011

THERA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable 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 trustees' 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 Trust's ability to continue as a going concern for a

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

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

Our responsibilities and the responsibilities of the trustees 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 trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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 TRUST

**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 trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

**Trustee Directors' responsibilities are explained on page 5.
This page explains that it is the Auditor's responsibility to audit (check)
the accounts as the law says they should.**

RESPONSIBILITIES OF TRUSTEE DIRECTORS

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the group's and the parent charitable 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 trustees either intend to liquidate the group or the parent charitable 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 TRUST

This page explains how the Auditor checks the accounts.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

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

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

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

- We enquired of management, internal audit and the audit committee, which included obtaining and reviewing supporting documentation, concerning the group'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 group 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 group 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 TRUST

- 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 TRUST

USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Jonathan Orchard (Senior statutory auditor)

17 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

You will see that this report and accounts also includes accessible information so that the directors of Thera Trust 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 TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERA TRUST

SUMMARY OF MONEY

For the year ended 31 March, 2021

What we have earned and what we have spent:	£
Money in	79,192,703
What we spent on staff	(61,643,961)
Other money spent	(15,759,517)
Revaluation of houses	(500,653)
Pension valuation	(865,000)
What is left over from the year	<u>423,572</u>
Money we got in more than money we spent	<u>423,572</u>
What Thera Trust has at 31 March, 2021:	£
Land, houses and buildings	1,657,132
Equipment	919,915
Other assets	-
Investment properties	9,271,210
Investments	72,868
Stocks we own	3,060
How much cash we have in the bank	7,743,943
What we are owed by others	11,412,675
What we owe to others	<u>(19,065,859)</u>
Net amount Thera Trust has at 31 March, 2021	<u>12,014,944</u>

THERA TRUST (Charity only)
(DOES NOT FORM PART OF STATUTORY ACCOUNTS)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

for the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	Restated 2020 Total £
Income from:							
Donations and grants		1,085,778	91,976	1,177,754	1,776,750	173,017	1,949,767
Charitable activities							
Supporting people with a learning disability		10,135,209	-	10,135,209	8,566,704	-	8,566,704
Investments		433,666	-	433,666	381,686	-	381,686
		<u>11,654,653</u>	<u>91,976</u>	<u>11,746,629</u>	<u>10,725,140</u>	<u>173,017</u>	<u>10,898,157</u>
Covid-19 exceptional Income		777,299	-	777,299	-	-	-
Total income		<u>12,431,952</u>	<u>91,976</u>	<u>12,523,928</u>	<u>10,725,140</u>	<u>173,017</u>	<u>10,898,157</u>
Expenditure on:							
Charitable activities							
Raising funds		130,295	-	130,295	58,627	-	58,627
Supporting people with a learning disability		9,726,058	137,717	9,863,775	8,975,721	194,756	9,170,477
Exceptional costs		15,983	-	15,983	418,992	-	418,992
		<u>9,872,336</u>	<u>137,717</u>	<u>10,010,053</u>	<u>9,453,340</u>	<u>194,756</u>	<u>9,648,096</u>
Covid-19 exceptional expenses		1,037,337	-	1,037,337	1,110	-	1,110
Total expenditure		<u>10,909,673</u>	<u>137,717</u>	<u>11,047,390</u>	<u>9,454,450</u>	<u>194,756</u>	<u>9,649,206</u>
Net income / (expenditure) before net gains / (losses) on investments		<u>1,522,279</u>	<u>(45,741)</u>	<u>1,476,538</u>	<u>1,270,690</u>	<u>(21,739)</u>	<u>1,248,951</u>
Net gains on fixed assets		27,000	-	27,000	-	-	-
Net income / (expenditure) for the year	5	<u>1,549,279</u>	<u>(45,741)</u>	<u>1,503,538</u>	<u>1,270,690</u>	<u>(21,739)</u>	<u>1,248,951</u>
Transfers between funds	24	(26,836)	26,836	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		<u>1,522,443</u>	<u>(18,905)</u>	<u>1,503,538</u>	<u>1,270,690</u>	<u>(21,739)</u>	<u>1,248,951</u>
Net actuarial gains / (losses) on defined benefit pension schemes	22	(559,000)	-	(559,000)	189,436	-	189,436
Net movement in funds		<u>963,443</u>	<u>(18,905)</u>	<u>944,538</u>	<u>1,460,126</u>	<u>(21,739)</u>	<u>1,438,387</u>
Reconciliation of funds:							
Total funds brought forward		7,803,310	151,960	7,955,270	6,343,184	173,699	6,516,883
Total funds carried forward	24	<u>8,766,753</u>	<u>133,055</u>	<u>8,899,808</u>	<u>7,803,310</u>	<u>151,960</u>	<u>7,955,270</u>

THERA TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and expenditure account)

for the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	Restated 2020 Total £
Income from:							
Donations and grants	3	215,925	583,333	799,258	134,435	569,658	704,093
Charitable activities							
Supporting people with a learning disability	4	72,569,688	-	72,569,688	70,902,656	-	70,902,656
Rental income	4	1,508,425	-	1,508,425	1,299,530	-	1,299,530
Investments		9,270	-	9,270	30,095	-	30,095
		<u>74,303,308</u>	<u>583,333</u>	<u>74,886,641</u>	<u>72,366,716</u>	<u>569,658</u>	<u>72,936,374</u>
Exceptional Income		545,105	-	545,105	-	-	-
Covid-19 exceptional Income		3,760,957	-	3,760,957	105,817	-	105,817
Total income		<u>78,609,370</u>	<u>583,333</u>	<u>79,192,703</u>	<u>72,472,533</u>	<u>569,658</u>	<u>73,042,191</u>
Expenditure on:							
Charitable activities							
Raising funds	6	130,705	-	130,705	94,943	-	94,943
Supporting people with a learning disability	6	72,499,791	602,301	73,102,092	71,801,031	532,465	72,333,496
Exceptional Items	6	272,990	-	272,990	298,958	-	298,958
		<u>72,903,486</u>	<u>602,301</u>	<u>73,505,787</u>	<u>72,194,932</u>	<u>532,465</u>	<u>72,727,397</u>
Covid-19 exceptional expenses		3,897,691	-	3,897,691	134,865	-	134,865
Total expenditure		<u>76,801,177</u>	<u>602,301</u>	<u>77,403,478</u>	<u>72,329,797</u>	<u>532,465</u>	<u>72,862,262</u>
Net income before net (losses) / gains on investments		1,808,193	(18,968)	1,789,225	142,736	37,193	179,929
Net (losses) / gains on investment properties	14	(564,553)	-	(564,553)	386,700	-	386,700
Net gains on fixed assets	13	63,900	-	63,900	-	-	-
Net income for the year	5	1,307,540	(18,968)	1,288,572	529,436	37,193	566,629
Transfers between funds	24	(26,836)	26,836	-	(2,706)	2,706	-
Net income before other recognised (losses) / gains		1,280,704	7,868	1,288,572	526,730	39,899	566,629
Net actuarial (losses) / gains on defined benefit pension schemes	22	(865,000)	-	(865,000)	364,436	-	364,436
Net movement in funds		415,704	7,868	423,572	891,166	39,899	931,065
Reconciliation of funds:							
Total funds brought forward		11,214,621	376,751	11,591,372	10,323,455	336,852	10,660,307
Total funds carried forward	24	<u>11,630,325</u>	<u>384,619</u>	<u>12,014,944</u>	<u>11,214,621</u>	<u>376,751</u>	<u>11,591,372</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 24 to the financial statements.

THERA TRUST
BALANCE SHEETS
as at 31 March 2021

COMPANY REGISTRATION NUMBER 03593418

		Group		Charity	
	Note	2021 £	2020 £	2021 £	2020 £
Fixed assets:					
Intangible fixed assets	12	-	368,321	-	368,321
Tangible assets	13	2,577,047	2,770,117	1,407,784	1,545,416
Investment properties	14	9,271,210	9,375,284	-	-
Investments	15	72,868	83,368	-	-
		11,921,125	12,597,090	1,407,784	1,913,737
Current assets:					
Property held for sale		-	194,000	-	-
Stocks		3,060	5,515	-	-
Debtors (Including those due in more than one year)	17	11,412,675	12,064,497	17,197,870	17,111,554
Cash at bank and in hand		7,743,943	1,090,666	5,751,516	444,849
		19,159,678	13,354,678	22,949,386	17,556,403
Current liabilities:					
Creditors falling due within one year	19	(6,808,442)	(7,538,966)	(2,380,031)	(3,621,454)
Net current assets		12,351,236	5,815,712	20,569,355	13,934,949
Total assets less current liabilities		24,272,361	18,412,802	21,977,139	15,848,686
Long term liabilities:					
Creditors falling due after one year	21	(10,618,146)	(5,950,639)	(12,263,096)	(7,510,416)
Net assets excluding pension liability		13,654,215	12,462,163	9,714,043	8,338,270
Defined benefit pension scheme liability	22	(1,639,271)	(870,791)	(814,235)	(383,000)
Total net assets		12,014,944	11,591,372	8,899,808	7,955,270
Funds:					
Restricted income funds		384,619	376,751	133,055	151,960
Unrestricted income funds:					
Designated funds		39,729	47,992	24,729	32,992
Revaluation reserve		964,473	1,475,337	54,867	27,867
General funds		10,626,123	9,691,292	8,687,157	7,742,451
Total unrestricted funds		11,630,325	11,214,621	8,766,753	7,803,310
Total funds	24	12,014,944	11,591,372	8,899,808	7,955,270

Approved by the trustees on 14 December, 2021 and signed on their behalf by



Simon Conway
Trustee



Jennifer Garrigan
Trustee

THERA TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 March 2021

	Note	£	2021 £	£	2020 £
Net cash provided by operating activities	25		4,436,568		384,750
Cash flows from investing activities:					
Proceeds from the sale of fixed assets		-		3,050	
Proceeds from the sale of investments		11,005		81,750	
Proceeds from sale of investment properties		974,105		-	
Purchase of fixed assets		(207,730)		(458,734)	
Interest received		8,765		26,345	
Payments to acquire investment properties		(695,479)		(2,055,487)	
			90,666		(2,403,076)
Cash flows from financing activities:					
Repayments of borrowing		(2,257,395)		(173,439)	
Receipts from issue of new bonds		5,000,000		-	
Repayments of obligations under a finance lease		(55,975)		(67,168)	
Interest paid		(560,587)		(450,231)	
Net cash provided by / (used in) financing activities			2,126,043		(690,838)
Change in cash and cash equivalents in the year			6,653,277		(2,709,164)
Cash and cash equivalents at the beginning of the year			1,090,666		3,799,830
Cash and cash equivalents at the end of the year	26		7,743,943		1,090,666

Thera Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies

a) Statutory information

Thera Trust is a charitable 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 charitable charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-controlled subsidiaries ("the group") on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling which is the functional currency of the charity.

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) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees of the charitable company ("the Trustees") consider that there are no material uncertainties about the charitable company's ability to continue as a going concern as discussed in more detail within the Trustees' Annual Report.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Government & local authority assistance

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

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

f) Income

All income is included in the consolidated statement of financial activities (SoFA) when the Group is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income represents contracts with Local Authorities, NHS and other organisations and individuals, to provide support to people with a learning disability, along with grants, donations, recharges and rental income.

Thera Trust

Notes to the Financial Statements

for the year ended 31 March 2021

1 Accounting policies (continued)

f) Income (continued)

Donations

For donations to be recognised, the Group will have been notified of the amounts and the settlement date in writing unless otherwise stated in the relevant accounting policy or note. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the group and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Group has control over the item. Fair value is determined on the basis of the value of the gift to the Group. For example the amount the Group would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' annual report.

Supporting people with a learning disability

Income from supporting people with a learning disability is recognised as income when the support is provided.

Fees for care, support and services comprise income receivable from health authorities and social services departments under contracts for the supply of care, support and services, fees receivable from individuals for domiciliary or residential care and other services to people with a learning disability.

As work is undertaken on a contractual basis and any income is recognised in accordance with the terms of the contract. In general terms, this means that income is recognised as support is provided.

Investment income

Investment income is earned through holding assets for investment purposes such as property. It may include dividends, interest or rent. It is included when the amount can be measured reliably. Interest income is recognised using the effective method and rent income is recognised as the group's right to receive payment is established.

Grants

Grants receivable are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Other income

Other income comprises charges for the provision of office accommodation, provision of management services, re-charged service costs and other sundry income.

The following specific policies are applied to particular categories of income:

- Voluntary income by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the group, are recognised when it becomes unconditionally entitled to the grant.
- Income from contracts and grants, where related to performance and specific deliverables, are accounted for as the group earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.
- No incoming resources have been included net of expenditure.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the bank or other deposit taker.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies (continued)

h) Fund accounting

Funds held by the group are unrestricted general funds (other than those otherwise disclosed). These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees or the trustees of its charitable subsidiaries.

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Unrestricted funds and designated funds

Unrestricted funds represent funds that are expendable at the discretion of the Trustees or the trustees of its charitable subsidiaries in the furtherance of the objects of the group. Such funds may be held in order to finance both working capital and capital investment.

Designated funds are those funds which are unrestricted in nature but which have been designated by the Trustees or the trustees of its charitable subsidiaries to be used in a particular manner.

i) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities
- Other expenditure represents those items not falling into the categories above

Charitable expenditure comprises those costs incurred by the group in the delivery of activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the group and include audit fees.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT

The group is unable to recover all of the VAT payable by it. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

j) Taxation

Thera Trust, Forward Housing SW, The Camden Society, Unity Works Social Enterprises, Equal Futures and Aspire Living are exempt from income tax and capital gains tax under Section 505 ICTA1988.

k) Operating leases

Rentals payable under operating leases are charged to the statement of financial activities on straight line basis over the term of the lease.

l) Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the income and expenditure account over its estimated economic life of ten years.

Thera Trust

Notes to the Financial Statements

for the year ended 31 March 2021

1 Accounting policies (continued)

m) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The cost less the estimated residual value of tangible fixed assets is depreciated over their estimated useful lives as follows:

- Freehold land is not depreciated
- Freehold buildings 2 - 4% straight line
- Leasehold buildings Straight line over the lease term
- Leasehold improvements Straight line over the lease term
- Office equipment 20 - 33.3% straight line
- Furniture and fittings 20 - 33.3% straight line

Where fixed assets have been revalued, any excess between the revalued amount and the historic depreciated cost of the asset will be shown as a revaluation reserve in the balance sheet.

n) Investment properties

Investment properties are included at fair value. Any gain or loss on sale or revaluation is taken to the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sales proceeds and original cost. Unrealised gains and losses of the year are calculated as the difference between the fair value at the year end and the opening fair value or purchase date if later. No depreciation is charged on investment properties in accordance with the Charities SORP.

o) Investments in subsidiaries

Investments in subsidiaries are at cost.

p) Property held for resale

Where a property becomes vacant and there is no intention for it to be reoccupied by beneficiaries of the Thera Trust group and the property is thus offered for sale, the property will then be classified as held for resale in the accounts. In regards to valuation, if the properties were valued based on vacant market possession then there would be a significant difference in the valuation of the properties, however, this would only ever be relevant when they are surplus to requirements.

q) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount pre-paid.

r) Leasing and hire purchase commitments

Rentals payable under leases or hire purchase agreements are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

s) Cash at bank and in hand

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. Cash balances exclude any funds held on behalf of service users, see note 18.

t) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

u) Financial instruments

The charitable group 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.

Thera Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies (continued)

u) Financial instruments (continued)

The bonds issued by the parent charitable company included within creditors are basic financial instruments and are initially measured at the transaction value and subsequently at redemption value. The interest payable is charged as a financing cost to the statement of Financial Activities on the date it is due for payment. The transaction costs in respect of setting up each bond are included within the balance sheet as a net adjustment to the liability and then spread over the life of the bond (after the bond is formally closed) and charged as a financing cost to the statement of financial activities.

v) Pensions

Defined benefit multi-employer schemes

Thera East Midlands participates in the Nottinghamshire County Council Local Government Pension Scheme, Aspire Living participates in the Worcestershire County Council's Local Government Pension Scheme, The Camden Society participates in the Oxfordshire Pension Fund (and in the previous year, the London Borough of Southwark Pension Fund) and Thera South West participates in the Wiltshire County Council's Local Government Pension Scheme. These are defined benefit schemes. Contributions to the schemes are charged against net income in the period in which they are payable. The pension charges are based on a full actuarial valuation as disclosed in the relevant note to the financial statements. Contributions for these schemes are set by a qualified Actuary.

Thera Trust participates in The Pensions Trust Social Housing Pension Scheme (DB). Thera Trust, Thera East, Thera East Anglia, Thera East Midlands, Thera North, Thera South West and the Camden Society also participate in the NHS Pension Scheme which are defined benefit schemes. Contributions to both schemes are charged against net income in the period in which they are payable. The pension charge is based on full actuarial valuations as disclosed in the relevant note to the financial statements. Contributions for the NHS Pension scheme are set by the Government Actuary.

Defined contribution schemes

Some of the Group's companies (Thera Trust, Thera North, Thera East, Thera East Anglia, Thera East Midlands, Thera (Scotland), Thera South West, Kimolos, Forward Housing and Dosh) participate in The Pensions Trust Ethical Fund. The scheme is a defined contribution scheme and the pension charge represents the amounts payable by each company to the fund in respect of the year.

Thera Trust and Aspire Living participate in The Pensions Trust Social Housing Pension Scheme (DC) and contributions are charged against net income in the period in which they are payable. The scheme is a defined contribution scheme and the pension charge represents the amounts payable by each company to the fund in respect of the year.

Aspire Living participates in a Group Personal Pension Plan administered by Clerical Medical. The plan is a defined contribution scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

The Camden Society participates in a group personal pension plan administered by AEGON. The plan is a defined contribution scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

Ansar Projects participated in the Pensions Trust Flexible Retirement plan during the year however as of the 1st January 2020 the members of the scheme have been transferred over to The People's Pension Fund. The plan is a defined contribution scheme and the pension charge represents the amount payable by each company to the fund in respect of the period.

Equal Futures and Aspire Living Limited participate in the government's NEST pension scheme. The plan is a defined contribution scheme and the pension charge represents the amount payable by each company to the fund in respect of the period.

Some of the Group's companies (The Camden Society, The Camden Society (London), Unity Works Social Enterprises, Ansar Projects and Thera East Midlands) participate in The People's Pension Fund. The plan is a defined contribution scheme and the pension charge represents the amount payable by each company to the fund in respect of the period.

Thera Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

1 Accounting policies (continued)

v) Pensions (continued)

Defined contribution schemes (continued)

In 2010 Forward Living, a company limited by guarantee, which has since been struck off the register of companies, ceased to participate in The Pensions Trust Growth Plan. As a result a contingent liability was triggered amounting to £86,569 for which Thera Trust acts as guarantor.

w) Parent charity and financial support

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

x) Restatement of prior year Income & Expenditure - Charity

Due to the ongoing Covid-19 pandemic the associated costs from this event have been split out from inclusion in expenses in the prior year, this has had the effect of decreasing costs of supporting people with a learning disability costs by £20,000, increasing exceptional costs by £18,890. Covid expenses of £1,110 are now shown on the face of the SOFA, overall the result reported remains the same. There has been no other impact on the financial statements.

Restatement of prior year Income & Expenditure - Group

Due to the ongoing Covid-19 pandemic the associated costs and income from this event have been split out from inclusion in expenses in the prior year, this has had the effect of decreasing exceptional expenses by £29,048. Covid income of £105,817 and expenses of £134,865 are now shown on the face of the SOFA, overall the result reported remains the same. There has been no other impact on the financial statements.

Restatement of prior year Nottinghamshire County Council Local Government Pension Scheme- Group

The following restatement is in respect of Thera East Midlands.

Following the TUPE of staff in 2018, it has been necessary to introduce the liability for the local government pension scheme, this involves the restatement of the opening reserves position, as at 1 April 2019, along with the introduction of transactions related to the pension scheme during 2020. Full details are given in Note 32.

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

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

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

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

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

Thera Trust

Notes to the Financial Statements

for the year ended 31 March 2021

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

Group financial support

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

Even though The Camden Society and Equal Futures have not acceded to the Intra-Group Agreement, Thera Trust agrees to financially support these subsidiaries.

Leases

Management determines whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheets.

Investment properties - owned

Investment properties owned by Forward Housing SW, The Camden Society and Aspire Living Limited are valued based either upon vacant market possession, where appropriate, or upon the then current and future rental yields on properties where a lease to a Registered Housing Provider is currently in place.

Recognition of leased investment properties at donated value

By way of a Framework Agreement between Touchpoint Housing (FH) S.A.R.L. (a subsidiary of Cheyne Capital), Thera Trust and Forward Housing completed in July 2015 and a variation to the Agreement effective from 31 March 2017, Forward Housing had control at 31 March, 2021, over a portfolio of 61 properties. These are by way of a 20 year, renewable lease, with the start date being the date of purchase (the earliest dates commencing in 2015) with the right to purchase at the end of the lease. These were sub-leased to Empower Housing Association, a Registered Housing Provider who granted assured tenancies in the properties to people with a learning disability.

Recognition of leased investment properties at donated value (continued)

The Trustees have reviewed the accounting treatment of this portfolio and have decided to recognise an asset on the balance sheet. The asset represents the economic benefit inherent in the sub-leases measured at fair value by the trustees on the basis of the net present value of future cashflows. The trustees will assess the fair value of the asset at each balance sheet date with changes in fair value being reflected in the statement of financial activities. Changes in the fair value will be affected by the changes in the rate of the Consumer Prices Index (CPI) to which rental flows are linked.

No consideration has been granted in relation to the value of these properties, and the asset has therefore been recognised by way of a gift in the statement of financial activities in the year.

Impairment of other assets

Management reviews the carrying value of all other assets for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows which are likely to be generated by the asset.

Thera Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

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

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 statement of financial activities.

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 TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

3 Income from donations and grants

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donations	222,057	29,536	251,593	8,112	-	8,112
Grants:						
Scottish Government	-	-	-	-	22,500	22,500
The Big Lottery Fund	-	-	-	-	115,573	115,573
Riverside Development Project	-	(25,000)	(25,000)	-	25,000	25,000
Greenwich Work Train	-	145,000	145,000	-	145,000	145,000
Building Bridges	-	-	-	-	35,248	35,248
Gig Buddies	-	48,319	48,319	-	55,789	55,789
Natwest Project	-	-	-	-	9,990	9,990
Deloitte	-	-	-	-	26,000	26,000
Apprenticeship levy Government Grant	-	26,101	26,101	-	26,147	26,147
Innovate & Cultivate	-	-	-	-	41,946	41,946
Building Better Opportunities	-	-	-	-	42,009	42,009
Thera Connex	-	6,026	6,026	-	-	-
Foundations Scotland	-	7,334	7,334	-	-	-
The Big Lottery - Riverside Development Project	-	(9,065)	(9,065)	-	-	-
Great Escape	-	5,073	5,073	-	-	-
CIA Big Lottery	-	28,000	28,000	-	-	-
LB Havering Business Support Grants	-	20,241	20,241	-	-	-
LCRF Wave 1, Chelsea FC Foundation & MCC	-	88,091	88,091	-	-	-
ESFA	-	16,000	16,000	-	-	-
Young Camden & Camden SAF - Employment Project	-	5,933	5,933	-	-	-
LCRF Wave 2	-	29,035	29,035	-	-	-
Hampstead Wells & Campden Trust ESA	-	7,500	7,500	-	-	-
FSF Essex	-	11,613	11,613	-	-	-
Rank Foundation	-	25,000	25,000	-	-	-
The National Lottery Community Fund	-	46,479	46,479	-	-	-
Postcode Neighbourhood Trust Unity Pies	-	18,679	18,679	-	-	-
FSF Barnet	-	7,848	7,848	-	-	-
Hfds Comm HCF Grant	-	5,000	5,000	-	-	-
The National Lottery Community Fund	-	26,660	26,660	-	-	-
Other	(6,132)	13,930	7,798	126,323	24,456	150,779
	<u>215,925</u>	<u>583,333</u>	<u>799,258</u>	<u>134,435</u>	<u>569,658</u>	<u>704,093</u>

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

4 Supporting people with a learning disability

The Group received income for supporting people with a learning disability from local authorities, other organisations and individuals within the following areas shown below. In addition, rental income includes aggregate rentals receivable in relation to operating leases totalling £1,508,425 (2020 - £1,299,530).

	2021 Total £	2020 Total £
East Anglia	11,523,544	11,582,567
East	13,540,374	13,148,802
East Midlands	13,770,862	11,742,988
West	6,288,629	6,496,057
South Midlands	5,416,542	5,762,949
South West	8,399,740	8,167,113
North	6,144,496	5,748,018
Scotland	3,336,061	3,404,711
London	3,338,080	4,302,617
Other	811,360	546,834
Supporting people with a learning disability	72,569,688	70,902,656
Rental income	1,508,425	1,299,530
Income from charitable activities	74,078,113	72,202,186

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Operating lease rentals:		
- motor vehicles	356,218	365,398
- land and buildings	1,386,478	1,309,461
External auditors remuneration (excluding VAT):		
Audit	178,000	167,990
Other services	54,000	54,871
Audit- In respect of the prior year	16,923	43,172
Other services - In respect of the prior year	1,562	-
Internal auditors remuneration (excluding VAT)	12,495	21,960
Depreciation of owned assets	439,819	397,752
Amortisation of goodwill	368,321	61,387
(Surplus)/Losses on disposal:		
Fixed Assets	24,880	(3,050)
Investments	(505)	(3,750)

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

6 Total expenditure

The group	2021			2020		Restated
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Raising funds						
Fundraising and publicity	130,705	-	130,705	94,943	-	94,943
	<u>130,705</u>	<u>-</u>	<u>130,705</u>	<u>94,943</u>	<u>-</u>	<u>94,943</u>
Direct costs of supporting						
Staff and agency costs	57,702,693	380,880	58,083,573	57,046,541	276,831	57,323,372
Property costs	2,024,054	-	2,024,054	2,098,577	-	2,098,577
Other direct costs	1,882,119	221,421	2,103,540	2,958,712	255,634	3,214,346
Support costs (below)	10,301,092	-	10,301,092	9,067,008	-	9,067,008
Governance costs (below)	589,833	-	589,833	630,193	-	630,193
	<u>72,499,791</u>	<u>602,301</u>	<u>73,102,092</u>	<u>71,801,031</u>	<u>532,465</u>	<u>72,333,496</u>
Support costs						
Staff and agency costs	4,879,394	-	4,879,394	4,298,148	-	4,298,148
Net operating cost of defined benefit pension scheme	64,000	-	64,000	88,000	-	88,000
Property costs	685,242	-	685,242	825,392	-	825,392
Depreciation, amortisation	808,140	-	808,140	459,139	-	459,139
Other support costs	3,864,316	-	3,864,316	3,396,329	-	3,396,329
	<u>10,301,092</u>	<u>-</u>	<u>10,301,092</u>	<u>9,067,008</u>	<u>-</u>	<u>9,067,008</u>
Governance						
Staff costs	84,026	-	84,026	82,251	-	82,251
Legal and professional	495,977	-	495,977	467,472	-	467,472
Other	9,830	-	9,830	80,470	-	80,470
	<u>589,833</u>	<u>-</u>	<u>589,833</u>	<u>630,193</u>	<u>-</u>	<u>630,193</u>

Exceptional costs of £272,990 (2020 - £298,958) have been incurred in 2021, £128,665 (2020 - £238,789) due to employment and other costs in relation to restructuring, £144,325 (2020: £44,357) in relation to professional and other costs and in 2020, £15,812 for the start up and closure costs of Social Enterprise cafes (2021: £Nil).

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

7 Directors and trustees

The Articles of Association of the charitable company state that the number of Directors must be not less than four, of whom one must be an Executive Director, and the maximum number of Directors is fourteen, of whom no more than five shall be Executive Directors, such Executive Directors to be equal in status.

During the year there were 4 Executive Directors who received aggregate remuneration and expenses as follows:

	Total remuneration £	Expenses £	Pension £	2021 Total £
Mrs K Boyce-Dawson	106,964	4,110	15,338	126,412
Mr S Conway	108,882	11,948	12,065	132,895
Ms J Garrigan	110,342	3,333	12,065	125,740
Mr M Smith	41,949	1,210	1,258	44,417
	368,137	20,601	40,726	429,464
	368,137	20,601	40,726	429,464
	Total remuneration £	Expenses £	Pension £	2020 Total £
Mrs K Boyce-Dawson	104,537	13,186	15,000	132,723
Mr S Conway	114,136	13,343	11,800	139,279
Ms J Garrigan	115,289	17,719	11,769	144,777
Mr M Smith	40,913	5,044	1,228	47,185
	374,875	49,292	39,797	463,964
	374,875	49,292	39,797	463,964

Total remuneration includes salary and benefits in kind.

Executive Directors are paid an equal level of salary, adjusted only for full time or part time hours, pensions and benefits in kind, such as lease cars. The change in costs between the two years is in the main due to changes to the taxable value of lease cars and the level of expenses. The Executive directors are considered to be the key management personnel of the charity.

During the period retirement benefits were accruing to 4 (2020 - 4) Directors in respect of a defined contribution scheme.

During the period 5 Trustees (2020 - 9) received reimbursed expenses relating to travel and accommodation amounting to £20,734 (2020 - £55,755). These expenses relate to attendance at meetings of the trustees, at meetings of trustees or directors of subsidiary companies and in relation to other management activities. These amounts include the above expenses shown as payable to the Executive Directors.

The highest paid director received remuneration of £110,342 (2020 - £115,289) (salary and benefits in kind). The value of the employer's contributions paid to a multi-employer defined contribution pension scheme in respect of the highest paid director amounted to £12,065 (2020 - £11,769).

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	Restated 2020 £
Salaries and wages	55,708,580	53,795,009
Redundancy and termination costs	114,896	94,018
Social security costs	4,252,591	3,957,282
Employer's contribution to defined contribution pension schemes	1,175,443	631,466
Employer's contribution to defined benefit pension schemes	328,451	327,347
Operating cost of defined benefit pension schemes	64,000	88,000
	61,643,961	58,893,122
	61,643,961	58,893,122

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 - £69,999	12	9
£70,000 - £79,999	4	3
£80,000 - £89,999	-	1
	<u> </u>	<u> </u>

No disclosure has been made of the number of Executive Directors receiving total salaries and benefits in excess of £60,000 as their remuneration is disclosed in full in the above note.

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel for the Charity were £452,135 (2020 - £458,696).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 3,155 (2020 - 3,139).

Staff are split across the activities of the charitable company as follows:

	2021 No.	2020 No.
Direct and relief support work	3,069	3,055
Management and administration	86	84
	<u> </u>	<u> </u>
	3,155	3,139
	<u> </u>	<u> </u>

10 Related party transactions

As disclosed in note 15, Thera Trust is the parent charitable company of all of the named subsidiary entities within the Group. The result for the year, assets and liabilities at the balance sheet date, and the registered office of these entities are all disclosed in full in that note.

Balances due to and from group undertakings are also disclosed in notes 17 and 22.

The Group's subsidiaries, within their own financial statements, have taken the exemption permitted by section 33.1A of FRS 102 from disclosing transactions with other entities within the Group on the grounds that Thera Trust controls 100% of the voting rights and consolidated accounts are prepared.

As required by the SORP, Thera Trust, and its charitable subsidiaries, disclose in full transactions with other entities within the Thera Group. Due to the number of entities involved, transactions of a similar nature have been amalgamated within the table below.

The following transactions were charged / (credited) in the accounts of Thera Trust:

	2021 £	2020 £
Management charges from Thera Trust to subsidiary undertakings	10,053,000	8,505,000
Donations under gift aid from subsidiary undertakings to Thera Trust	1,083,827	1,763,589
Social investment grants from Thera Trust to The Quality Company, Equal Futures, Thera East Midlands, Thera East Anglia and Unity Works Social Enterprises (2020: in addition includes Dosh)	411,140	471,140
	<u> </u>	<u> </u>

Transactions with directors

There are no transactions with directors in the current or prior year other than those disclosed in Note 7.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charitable company's trading subsidiaries gift aid available profits to the parent charitable company and therefore have no charge to corporation tax.

12 Intangible fixed assets

Goodwill

The group

	Goodwill £	Total £
Cost		
At the start of the year	613,868	613,868
Disposals in year	(613,868)	(613,868)
	-	-
At the end of the year	-	-
Amortisation		
At the start of the year	245,547	245,547
Charge for the year	368,321	368,321
Eliminated on disposal	(613,868)	(613,868)
	-	-
At the end of the year	-	-
Net book value		
At the end of the year	-	-
At the start of the year	368,321	368,321

The charity

Cost

	Goodwill £	Total £
At the start of the year	613,868	613,868
Disposals in year	(613,868)	(613,868)
	-	-
At the end of the year	-	-
Amortisation		
At the start of the year	245,547	245,547
Charge for the year	368,321	368,321
Eliminated on disposal	(613,868)	(613,868)
	-	-
At the end of the year	-	-
Net book value		
At the end of the year	-	-
At the start of the year	368,321	368,321

The trustees have assessed the value of goodwill vested in relation to the purchase in 2016 of Folegandros, and its successor Ansar Projects, with reference to current financial results of Ansar Projects and have determined that it is prudent to write off the remaining intangible asset.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

13 Tangible fixed assets

The group	Leasehold property and improvements £	Freehold land and property £	Fixtures and fittings and equipment £	Total £
Cost or revaluation				
At the start of the year	747,263	1,350,000	3,741,515	5,838,778
Additions in year	-	-	207,730	207,730
Disposals in year	(9,233)	-	(1,934,810)	(1,944,043)
At the end of the year	738,030	1,350,000	2,014,435	4,102,465
Depreciation				
At the start of the year	391,844	42,600	2,634,217	3,068,661
Charge for the year	42,632	21,300	375,887	439,819
Eliminated on disposal	(3,578)	-	(1,915,584)	(1,919,162)
Eliminated on revaluation	-	(63,900)	-	(63,900)
At the end of the year	430,898	-	1,094,520	1,525,418
Net book value				
At the end of the year	307,132	1,350,000	919,915	2,577,047
At the start of the year	355,419	1,307,400	1,107,298	2,770,117
The charity				
		Freehold land and property £	Fixtures and fittings and equipment £	Total £
Cost or revaluation				
At the start of the year		600,000	3,253,402	3,853,402
Additions in year		-	182,729	182,729
Revaluation		-	-	-
Eliminated on disposal		-	(1,703,310)	(1,703,310)
At the end of the year		600,000	1,732,821	2,332,821
Depreciation				
At the start of the year		18,000	2,289,986	2,307,986
Charge for the year		9,000	330,983	339,983
Eliminated on revaluation		(27,000)	-	(27,000)
Eliminated on disposal		-	(1,695,932)	(1,695,932)
At the end of the year		-	925,037	925,037
Net book value				
At the end of the year		600,000	807,784	1,407,784
At the start of the year		582,000	963,416	1,545,416

Included above is freehold land with an assessed value of £150,000 (2020: £150,000). This value is not depreciated in the accounts.

The historic cost equivalent of land and buildings included at valuation are as follows:

	Freehold land and property £	2021 £	2020 £
Cost	1,639,651	1,639,651	1,639,651
Accumulated depreciation	(601,498)	(601,498)	(580,198)
At the end of the year	1,038,153	1,038,153	1,059,453

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

14 Investment properties

	Owned	Group Leased	2021	Charity 2021
	£	£	£	£
Fair value at the start of the year	5,523,057	3,852,227	9,375,284	-
Additions including donations	695,479	-	695,479	-
Disposals	(235,000)	-	(235,000)	-
Revaluation during the year	(441,718)	(122,835)	(564,553)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fair value at the end of the year	5,541,818	3,729,392	9,271,210	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Owned	Group Leased	2020	Charity 2020
	£	£	£	£
Fair value at the start of the year	3,661,570	3,465,527	7,127,097	-
Additions including donations	2,055,487	-	2,055,487	-
Disposals	-	-	-	-
Revaluation during the year	-	386,700	386,700	-
Property held for resale	(194,000)	-	(194,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fair value at the end of the year	5,523,057	3,852,227	9,375,284	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2021, the trustees had been provided with a valuation from Jones Laing LaSalle ("JLL") Residential Advisory Team, in accordance with the RICS Valuation Professional standards July 2017 Global and UK Edition of the properties that it owns. This valuation was at market value as at 31st March, 2021. The valuation was based either on the then current and future rental yields on properties where an under-lease to a Registered Housing Provider is currently in place, assuming good and marketable title free from onerous or unusual restrictions, covenants or encumbrances not covered by appropriate insurances, long term CPI of 2% and leases, where in place, formally registered with HM Land Registry or, where appropriate, upon vacant market possession. All of the investment properties owned by the charity are located within the United Kingdom. The majority of these properties are held for use in operating leases. No properties were identified for future sale at the year end (2020: 2).

Some properties are leased by the charity and then under-let to a Registered Housing Provider. There is an economic benefit inherent in certain leases granted on these properties measured at fair value over their extended lifetime. This has given rise to a re-valuation of that benefit at the year-end.

15 Investments

The charity - Controlled subsidiary undertakings

Cost of investment in Folegandros (formally known as Ansar Projects Ltd)

	Charity 2021	2020
	£	£
Cost of investment at the start of the year	-	303,942
Impairment during the year	-	(303,942)
	<hr/>	<hr/>
Cost of investment at the end of the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

Tera Trust previously held an investment in Folegandros (formally known as Ansar Projects Limited). During 2019, the directors and senior management team of Folegandros considered the corporate status of the company. They decided that a not-for profit structure was more appropriate to the organisation's activities. Consequently, the directors agreed to transfer in their entirety the activities of the company to a new company to be named Ansar Projects (company number 11904307), with the existing company being renamed as Folegandros Limited. Once the outstanding debts of the company have been collected and creditors settled, it is the intention of directors for any remaining assets to be transferred to the new Ansar Projects and to apply for the company to be struck off the register of companies. Solely as a result of the change in corporate structure, the carrying value of the investment in Folegandros was written down to zero.

Full details of the subsidiary Folegandros are detailed in the table below.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

15 Investments (continued)

Group - Controlled subsidiary undertakings

The parent charitable company controlled the following companies and charitable companies:

Company	Country of registration or incorporation		Company Registration	Charity Number
Ansar Projects Limited	England and Wales	Limited by guarantee	11904307	
Dosh Limited	England and Wales	Limited by guarantee	06337548	
Folegandros Limited (formerly Ansar Projects Limited)	England and Wales	Limited company	07191526	
Kimolos Limited (formerly The Quality Company Limited)	England and Wales	100% ordinary share capital	06319351	
The Camden Society (London) Limited	England and Wales	Limited by guarantee	11484012	
The Camden Society Trading Limited	England and Wales	Limited by guarantee	10695786	
The Quality Company Limited (formally Kimolos Limited)**	England and Wales	Limited by guarantee	12591280	
Thera East	England and Wales	Limited by guarantee	06795987	
Thera East Anglia	England and Wales	Limited by guarantee	05566295	
Thera East Midlands	England and Wales	Limited by guarantee	05566293	
Thera East Midlands Trading Limited	England and Wales	Limited by guarantee	10695501	
Thera North	England and Wales	Limited by guarantee	05343088	
Thera North Trading Limited	England and Wales	Limited by guarantee	10695651	
Thera (Scotland)	Scotland	Limited by guarantee	SC 322014	
Thera South Midlands	England and Wales	Limited by guarantee	08667106	
Thera South Midlands Trading Limited	England and Wales	Limited by guarantee	10695744	
Thera South West	England and Wales	Limited by guarantee	06797328	
Thera West	England and Wales	Limited by guarantee	05852926	
Aspire Living Limited	England and Wales	Limited by guarantee	02720295	1024904
Equal Futures	Scotland	Limited by guarantee	SC 238588	SC 033799
Forward Housing (formerly Forward Housing SW)	England and Wales	Limited by guarantee	03821702	1078391
The Camden Society	England and Wales	Limited by guarantee	03023588	1044693
Unity Works Social Enterprises limited	England and Wales	Limited by guarantee	11338498	1185113
Ansar Projects Trading Limited *	England and Wales	Limited by guarantee	10695377	
Aspire Living Trading Limited *	England and Wales	Limited by guarantee	10695243	
Thera Limited *	England and Wales	Limited by guarantee	04999446	
Thera East Anglia Trading Limited *	England and Wales	Limited by guarantee	10695759	
Thera East Trading Limited *	England and Wales	Limited by guarantee	10695595	
Thera (Scotland) Trading Limited *	Scotland	Limited by guarantee	SC 561756	
Thera South West Trading Limited *	England and Wales	Limited by guarantee	10695690	

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

15 Investments

Controlled subsidiary undertakings (continued)

Company	Country of registration or incorporation	Company	Charity
Uemploy Limited *	England and Wales	Limited by guarantee	08114936

Entities above marked with an asterisk * were dormant and did not trade during the year.

The entity above marked with asterisks ** was incorporated on the 7 May 2020.

The registered office address for the majority of Thera companies including dormant and trading companies is 134 Edmund Street, Birmingham, B3 2ES, the exceptions being:

- Thera Scotland, Thera (Scotland) Trading and Equal Futures - Melrose House, 69a George Street, Edinburgh, EH2 2JG

The active subsidiaries are controlled by the parent charitable company and undertake a range of activities in fulfilment of the Group's charitable objects. Where the subsidiary is in a net asset position, the directors of the subsidiary have determined in each case that the taxable surplus of the subsidiary for the year be gift aided to the parent charitable company.

The aggregate amount of capital and reserves and the results of the subsidiary undertakings for the last relevant financial year were as set out below. The figures are gross, before any consolidation adjustment. Any group entity not shown in the tables had no income, expenditure, assets or liabilities to report:

	Income £	Expenditure £	(Deficit) / surplus for the year £	Gift Aid and other transfers £
Ansar Projects	2,092,425	(1,989,777)	102,648	102,648
Dosh Limited	896,042	(809,757)	86,285	-
Folegandros (formerly Ansar Projects Limited)	2,440	2,813	5,253	5,253
Kimolos (formerly The Quality Company Limited)	171,601	(166,283)	5,318	5,318
The Camden Society (London) Limited	2,812,334	(2,876,472)	(64,138)	-
The Camden Society Trading	576,850	(576,850)	-	-
The Quality Company Limited	302,459	(167,427)	135,032	135,032
Thera East	14,363,041	(13,858,270)	504,771	504,771
Thera East Anglia	12,272,707	(11,946,937)	325,770	325,770
Thera East Midlands	14,229,797	(14,581,270)	(351,473)	-
Thera East Midlands Trading	10,695,705	(10,695,705)	-	-
Thera North	4,266,603	(3,979,235)	287,368	-
Thera North Trading	460,527	(460,527)	-	-
Thera (Scotland)	3,535,513	(3,458,216)	77,297	-
Thera South Midlands	458,604	(458,604)	-	-
Thera South Midlands Trading	1,712,744	(1,712,744)	-	-
Thera South West	8,629,268	(8,505,152)	124,116	-
Thera West	5,070	(35)	5,035	5,035
Aspire Living Limited	6,707,844	(6,665,668)	42,176	-
Equal Futures	94,164	(117,999)	(23,835)	-
Forward Housing (formerly Forward Housing SW)	2,059,954	(2,371,737)	(311,783)	-
The Camden Society	7,632,343	(8,264,166)	(631,823)	-
Unity Works Social Enterprises limited	2,447,411	(2,239,467)	207,944	-

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

15 Investments (continued)

	Assets £	Liabilities £	Capital and reserves £
Ansar Projects	470,635	(470,635)	-
Dosh Limited	202,955	(981,694)	(778,739)
Folegandros (formerly Ansar Projects Limited)	76,786	(69,930)	6,856
Kimolos (formerly The Quality Company Limited)	-	-	-
The Camden Society (London) Limited	541,857	(605,995)	(64,138)
The Camden Society Trading	102,665	(102,665)	-
The Quality Company Limited	138,187	(138,187)	-
Thera East	2,024,677	(2,024,677)	-
Thera East Anglia	1,210,666	(1,210,666)	-
Thera East Midlands	745,741	(1,585,005)	(839,264)
Thera East Midlands Trading	1,903,366	(1,903,366)	-
Thera North	698,182	(814,639)	(116,457)
Thera North Trading	106,009	(106,009)	-
Thera (Scotland)	555,282	(1,389,516)	(834,234)
Thera South Midlands	372,388	(372,388)	-
Thera South Midlands Trading	340,040	(340,040)	-
Thera South West	1,293,405	(1,370,988)	(77,583)
Thera West	166,441	(5,035)	161,406
Aspire Living Limited	3,056,352	(578,635)	2,477,717
Equal Futures	68,267	(4,052)	64,215
Forward Housing (formerly Forward Housing SW)	9,486,542	(4,959,004)	4,527,538
The Camden Society	1,267,980	(2,245,262)	(977,282)
Uemploy Limited	-	(105,887)	(105,887)
Unity Works Social Enterprises limited	510,693	(839,706)	(329,013)

16 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	12,523,928	10,898,157
Total expenditure on charitable activities	(9,797,611)	(8,460,318)
Costs of generating funds	(659,946)	(558,695)
Governance costs	(589,833)	(630,193)
Remeasurement loss on defined benefit pension scheme	(559,000)	189,436
Net gain on fixed assets	27,000	-
Net income	944,538	1,438,387
Total funds brought forward	7,955,270	6,516,883
Total funds	8,899,808	7,955,270

Gross income is inclusive of donations made under gift aid of £1,083,827 (2020 - £1,763,589) from its subsidiaries, as detailed in note 15.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

17 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Due after more than one year				
Amounts owed from group undertakings	-	-	16,539,126	16,336,571
Due within one year				
Operational debtors	5,295,523	5,527,545	89,936	98,762
Other debtors	728,839	937,688	75,357	103,677
Prepayments and accrued income	5,388,313	5,599,264	493,451	572,544
	11,412,675	12,064,497	17,197,870	17,111,554

18 Cash at bank

At the balance sheet date, Dosh Limited acting as appointee, court approved deputy or other approved representative, held funds on behalf of people with a learning disability supported by Dosh Limited in a separate general account amounting to £23,771 (2020: £72,779) and in individual accounts amounting to £15,949,828 (2020: £11,909,234). These funds have not been included as assets or liabilities of the company.

19 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Overdraft and bank loans	145,625	135,895	854,197	135,895
Other loans	-	1,985,502	-	1,985,502
Amounts due under finance leases	51,088	56,193	51,088	56,193
Operational creditors	764,864	708,402	451,001	339,031
Taxation and social security	2,090,696	1,975,526	669,586	714,465
Other creditors	588,807	652,550	5,397	25,276
Accruals and deferred income	3,167,362	2,024,898	348,762	365,092
	6,808,442	7,538,966	2,380,031	3,621,454

20 Deferred income

Deferred income comprises payments in advance of services.

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Balance at the beginning of the year	177,018	50,517	-	-
Amount released to income in the year	(177,018)	(50,517)	-	-
Amount deferred in the year	377,489	177,018	-	-
	377,489	177,018	-	-

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

21 Creditors: amounts falling due after one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans	816,007	971,379	816,007	971,379
Other loans	9,733,811	4,860,062	9,733,811	4,860,062
Amounts due under finance leases	68,328	119,198	68,328	119,198
Amounts due to group undertakings	-	-	1,644,950	1,559,777
	10,618,146	5,950,639	12,263,096	7,510,416

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Analysis of loans				
Total loans repayable	10,695,443	7,952,838	10,695,443	7,952,838
Included in current liabilities	(145,625)	(2,121,397)	(145,625)	(2,121,397)
	10,549,818	5,831,441	10,549,818	5,831,441

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Loan maturity analysis				
Within one year	145,625	2,121,397	145,625	2,121,397
Two - five years	10,549,818	5,831,441	10,549,818	5,831,441
	10,695,443	7,952,838	10,695,443	7,952,838

Within bank loans is a Bank of Scotland loan with a current balance of £0.13m which is secured by a first legal charge over a freehold property. The interest is charged at 1.65% per annum over the bank base rate and the loan is repayable by 28 November 2024.

There is also a Barclays £1.5m overdraft facility and a term loan with a current balance of £0.83m, which are secured by a Group bank account-offset cross guarantee, a cross guarantee and debenture creating fixed and floating charges over the assets of several Group companies and a floating charge over the assets of Thera (Scotland).

Thera Trust issued a £2,000,000 five year bond on 31 December, 2015. Interest was payable annually on 31 December, each year in arrears at a fixed rate of 5.5% per annum. The bond was repaid on 31 December, 2020.

Thera Trust offered a £5,000,000 six year bond in February, 2018. Interest is payable annually on 31 March each year in arrears at a fixed rate of 5.5% per annum. The bond is repayable on 31 March, 2024.

Thera Trust offered a £5,000,000 six year bond in July, 2020. Interest is payable annually on 31 March each year in arrears at a fixed rate of 5.25% per annum. The bond is repayable on 31 March, 2026.

Finance leases are secured over the assets to which they relate.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 Pension schemes

Defined benefit multi-employer schemes

Local Government Pension Scheme - Nottinghamshire

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

Contributions payable during the period amount to £19,755 (2020 - £17,209). The amount outstanding in respect of employer and employee contributions for this Scheme at the year end was £Nil (2020 - £Nil).

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

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

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

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

Previously it has not been possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

The number of members of the scheme are set out below.

The data as at 31 March 2021 and 31 March 2020 has been calculated from the valuation provided by Barnett Waddingham . These are set out below:

Number of active members in the scheme

	2021	2020
	No.	No.
Active	5	5
Deferred	12	13
Pensioners	6	5

Financial assumptions

	2021	2020
	% pa	% pa
Rate of discount	2.05	2.35
Price inflation (RPI)	3.15	2.65
Price inflation (CPI)	2.85	1.85
Salary increases	3.85	2.85

Other material assumptions

	years	years
Life expectancies in retirement:		
Male currently aged 65	21.6	21.8
Female currently aged 65	24.3	24.4
Male currently aged 45	22.9	23.2
Female currently aged 45	25.7	25.8

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset / (Liability)

	2021	2020
	£'000	£'000
Fair value of plan assets	1,167	966
Present value of defined benefit obligation	(1,992)	(1,454)
Deficit in plan	(825)	(488)
Defined benefit liability to be recognised	(825)	(488)
Net defined liability to be recognised	<u>(825)</u>	<u>(488)</u>

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

22 Pension schemes (continued)

Defined benefit multi-employer schemes (continued)

Local Government Pension Scheme - Nottinghamshire (continued)

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	2021 £'000	2020 £'000
Opening fair value of employer assets	966	1,019
Interest income	23	25
Return on plan assets	176	(90)
Contributions by the employer	20	17
Contributions by members	6	5
Benefits paid and expenses	(24)	(10)
Closing fair value of employer assets	<u>1,167</u>	<u>966</u>

Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

	2021 £'000	2020 £'000
Opening defined benefit obligation	1,454	1,633
Current service cost	40	39
Past service cost	-	12
Interest cost	34	40
Contributions by members	6	5
Actuarial losses / (gains)	482	(265)
Benefits paid and expenses	(24)	(10)
Closing defined benefit obligation	<u>1,992</u>	<u>1,454</u>

Defined Benefit Costs Recognised in the Statement of Financial Activities (SOFA)

	2021 £'000	2020 £'000
Current service cost	40	39
Past service cost	-	12
Net interest expense	11	15
Defined benefit costs recognised in the SOFA	<u>51</u>	<u>66</u>
Actual return on employer assets	<u>199</u>	<u>(65)</u>

Fair value of employer assets

	2021 £'000	2020 £'000
Equities	745	558
Gilts	41	40
Other bonds	87	89
Property	124	144
Cash	62	39
Inflation-linked pooled fund	45	36
Infrastructure	63	60
	<u>1,167</u>	<u>966</u>

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 Pension schemes (continued)

Defined benefit multi-employer schemes (continued)

Local Government Pension Scheme - Nottinghamshire (continued)

FRS102 pension liability reconciliation 2021

	Assets £'000	Liabilities £'000	Total £'000
Brought forward	966	(1,454)	(488)
Actuarial gains/(losses)	-	(482)	(482)
Return on Plan Assets	176	-	176
Current service cost	-	(40)	(40)
Interest	23	(34)	(11)
Contributions in - e'er	20	-	20
Contributions in - e'ee (participants)	6	(6)	-
Benefits out	(24)	24	-
At year end	1,167	(1,992)	(825)
Net change in scheme surplus/(deficit)			(337)
Net current service cost / expense in SoFA			(51)

FRS102 pension liability reconciliation 2020

	Assets £'000	Liabilities £'000	Total £'000
Brought forward	1,019	(1,633)	(614)
Actuarial gains/(losses)	-	265	265
Return on Plan Assets	(90)	-	(90)
Current service cost	-	(39)	(39)
Past service cost	-	(12)	(12)
Interest	25	(40)	(15)
Contributions in - e'er	17	-	17
Contributions in - e'ee (participants)	5	(5)	-
Benefits out	(10)	10	-
At year end	966	(1,454)	(488)
Net change in scheme surplus/(deficit)			126
Net current service cost / expense in SoFA			(66)

Local Government Pension Scheme - Oxfordshire

The Camden Society also participates in the Oxfordshire Local Government Pension Scheme ("the Scheme"). This is a multi-employer, defined benefit type scheme and the assets of the scheme are held separately from those of the charity in independently administered funds. Contributions payable during the year amounted to £65,192 (2020 - £60,733) As at the balance sheet date there were 15 (2020 - 16) active members of the Scheme employed by the Society. The amount outstanding in respect of this Scheme at the year-end was £Nil (2020 - £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 FRS102 represents the employer contribution payable.

Oxfordshire County Council has confirmed that it will take responsibility for any funding deficit arising should The Camden Society cease to be a member in the Scheme.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 Pension schemes (continued)

Defined benefit multi-employer schemes (continued)

Local Government Pension Scheme - Worcestershire

Aspire Living Limited participates in the Worcestershire County Council's Local Government Pension Scheme ("the Scheme"). The Scheme is funded as is contracted-out of the State Pension scheme.

The Council has agreed to fund any additional employer pension costs which may be required to address future pension scheme deficits in relation to Aspire's staff.

Contributions payable during the period amount to £91,370 (2020 - £84,569). The amount outstanding in respect of employer and employee contributions for this Scheme at the year-end was £Nil (2020 - £8,929).

As at the balance sheet date there were 19 (2020 - 22) active members of the Scheme employed by Aspire Living Limited.

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 FRS102 represents the employer contribution payable.

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

The last formal valuation of the Scheme was performed as at 31 March 2019 by a professionally qualified Actuary. The market value of the Scheme's assets at the valuation date was £2,795 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £295 million, equivalent to a past service funding level of 90%. This is an increase on the 75% funded position as a result of the 2016 valuation.

A common rate of contribution of 17.5% of pensionable pay per annum is required from employers. The common rate is calculated as being sufficient, together with contributions paid by members, to meet all liabilities arising in respect of service after the valuation date. The deficit of £295 million would be eliminated by a contribution addition of £28 million per annum increasing at 3.9% per annum for 15 years.

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

Local Government Pension Scheme - Wiltshire

Thera 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 £5,104 (2020: £12,100). The amount outstanding in respect of employer and employee contributions for this Scheme at the year-end was £Nil (2020: £ 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 Thera South West cease to be a member in the Scheme.

As at the balance sheet date there were 1 (2020: 2) active members of the Scheme employed by Thera 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 2019 by a professionally qualified Actuary. The market value of the Scheme's assets at the valuation date was £2,589 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £92 million, equivalent to a past service funding level of 97%.

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

NHS Pension Scheme

For some employees, who have previously worked in the NHS, Thera East Anglia, Thera East Midlands, Thera East, Thera North, Thera South West and The Camden Society also participate in the NHS Pension Scheme ("the 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 £163,174 (2020 - £169,946). The amount outstanding at 31 March, 2021 was £Nil (2020 - £Nil).

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

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 Pension schemes (continued)

Defined benefit multi-employer schemes (continued)

NHS Pension Scheme (continued)

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.

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 (FReM) 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 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 Pension schemes (continued)

Defined contribution schemes

The Pensions Trust Ethical Fund

A number of companies in the Group participate in The Pensions Trust Ethical Fund which is a defined contribution scheme for the benefit of its employees. Contributions payable to the scheme amounted to £704,613 (2020 - £659,804). The amount outstanding in respect of the Fund at the year end was £3,512 (2020 - £5,783).

NEST pension scheme

Equal Futures and Aspire Living Limited participate in the government's NEST pension scheme which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £99,038 (2020 - £85,716). The amount outstanding in respect of this scheme at the year-end was £Nil (2020 - £15,564).

Clerical Medical pension scheme

Aspire Living Limited participates in the Clerical Medical Pension Scheme which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £10,432 (2020 - £11,650). The amount outstanding in respect of this scheme at the year-end was £Nil (2020- £1,611).

Social Housing Pension Scheme - defined contribution

Aspire Living Limited participates in The Pension's Trust Social Housing Pension Scheme (TPT SHPS) which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £25,257 (2020 - £26,537). The amount outstanding in respect of this Scheme at the year-end was £Nil (2020 - £4,997).

Thera Trust participates in the Social Housing Pension Scheme (DB/DC hybrid). The Scheme is funded and was contracted-out of the State Pension scheme. However, from 1 April, 2013, Thera Trust adopted the defined contribution structure of the scheme, it previously having operated under a defined benefit structure.

During the accounting period Thera Trust paid total contributions of £285,567 (2020 - £278,748) which included £135,340 (2020 - £136,656) of past service deficit contributions. At the year end, £505 (2020 - £334) was outstanding in respect of the Scheme.

As at the balance sheet date there were 145 (2020 - 115) active members of the Scheme employed by Thera Trust.

Thera Trust participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026. The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme.

Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For financial years ending on or before 28 February 2019, it has not been possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme. For accounting purposes, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2018 and 30 September 2017. The liability figure from the September 2017 valuation has been rolled backwards to the relevant accounting date of 1 April 2017. The actuarial valuations at both dates are used in conjunction with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus at the accounting period start and end dates.

The accounting guidance provided by the relevant regulatory bodies involved in this change proposed that the impact of moving from defined contribution accounting to defined benefit accounting should be shown within the current financial year. However, Thera Trust have decided to carry out a prior year adjustment with the date of transition being 1 April 2017, using estimated figures where these are not available from the Scheme itself. In particular, this is intended to illustrate the material impact on Thera's net liabilities of employee withdrawals from the Scheme during the transition period.

Following consultation between the Pension Trustees and Employers, a new recovery plan to recover the overall scheme deficit has been agreed. This is based on a full share of liabilities approach. This is effective from 1 April, 2019.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

22 Pension schemes (continued)

Social Housing Pension Scheme - defined benefit

The number of members of the scheme are set out below.

The data as at 31 March 2021 and 31 March 2020 has been calculated using a modeller provided by The Pensions Trust. Certain key assumptions, such as projected earnings increases have been set within this modeller to bring them into line with the expectations of the organisation. These are set out below

Number of active members in the scheme

	2021 No.	2020 No.
Active	3	3
Deferred	32	33
Pensioners	8	9

Financial assumptions

	2021 % pa	2020 % pa
Rate of discount	2.51	2.65
Price inflation (RPI)	3.54	2.85
Price inflation (CPI)	3.17	1.85
Earnings increases	3.17	2.85
Allowance for commutation of pension for cash at retirement	75%	75%

Other material assumptions

	years	years
Life expectancies in retirement:		
Male currently aged 65	22.90	21.50
Female currently aged 65	25.10	23.30
Male currently aged 45	21.60	22.90
Female currently aged 45	23.50	24.50

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset / (Liability)

	2021 £'000	2020 £'000
Fair value of plan assets	2,900	2,511
Present value of defined benefit obligation	(3,714)	(2,894)
Surplus / (deficit) in plan	(814)	(383)
Defined benefit asset /(liability) to be recognised	(814)	(383)
Net defined benefit / (liability) to be recognised	<u>(814)</u>	<u>(383)</u>

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	2021 £'000	2020 £'000
Opening fair value of employer assets	2,511	2,404
Interest income	68	65
Experience on plan assets	196	(44)
Contributions by the employer	141	137
Benefits paid and expenses	(16)	(51)
Closing fair value of employer assets	<u>2,900</u>	<u>2,511</u>

Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

	2021 £'000	2020 £'000
Opening defined benefit obligation	2,894	3,093
Expenses	5	5
Interest cost	76	82
Actuarial losses / (gains)	755	(235)
Benefits paid and expenses	(16)	(51)
Closing defined benefit obligation	<u>3,714</u>	<u>2,894</u>

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

22 Pension schemes (continued)

Defined Benefit Costs Recognised in the Statement of Financial Activities (SOFA)

	2021	2020
	£'000	£'000
Expenses	5	5
Net interest expense	8	17
	13	22
Defined benefit costs recognised in the SOFA	13	22
Actual return on employer assets	(43)	(308)

Fair value of employer assets

	2021	2020
	£'000	£'000
Global Equity	462	367
Absolute Return	160	131
Distressed Opportunities	84	48
Credit Relative Value	91	69
Alternative Risk Premia	109	176
Fund of Hedge Funds	-	1
Emerging Markets Debt	117	76
Risk Sharing	106	85
Insurance-Linked Securities	70	77
Property	60	55
Infrastructure	193	187
Private Debt	69	51
Opportunistic Illiquid Credit	74	61
High Yield	87	
Opportunistic Credit	79	
Corporate Bond Fund	171	143
Liquid Credit	35	1
Long Lease Property	57	43
Secured income	121	95
Liability Drive Investment	737	834
Net Current Assets	18	11
	2,900	2,511

FRS102 pension liability reconciliation 2021

	Assets	Liabilities	Total
	£'000	£'000	£'000
Brought forward	2,511	(2,894)	(383)
Actuarial gains/(losses)	-	(755)	(755)
Expenses	-	(5)	(5)
Experience on Plan Assets	196	-	196
Interest	68	(76)	(8)
Contributions in - e'er	141	-	141
Benefits out	(16)	16	-
At year end	2,900	(3,714)	(814)
Net change in scheme surplus/(deficit)			(431)
Net current service cost / expense in SoFA			(13)

THERA TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

22 Pension schemes (continued)

FRS102 pension liability reconciliation 2020

	Assets £'000	Liabilities £'000	Total £'000
Brought forward	2,404	(3,093)	(689)
Actuarial gains/(losses)	-	235	235
Expenses	-	(5)	(5)
Experience on Plan Assets	(44)	-	(44)
Interest	65	(82)	(17)
Contributions in - e'ee (participants)	-	-	-
Contributions in - e'er	137	-	137
Benefits out	(51)	51	-
At year end	2,511	(2,894)	(383)
Net change in scheme surplus/(deficit)			306
Net current service cost / expense in SoFA			(22)

The Pensions Trust Growth Plan

Forward Living used to participate in The Pensions Trust Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State Scheme. The Plan is a multi-employer pension plan. Contributions payable during the period amounted to £Nil (2020 - £Nil).

On 22 February, 2010, a transfer of contracts and all employees was made from Forward Living, a charitable company limited by guarantee which has since been struck off the register of companies, to a fellow subsidiary of the Thera Group, Thera South West, at which date Forward Living ceased to participate in the Plan. The parent charity, Thera Trust, acts as a guarantor of a floating liability amounting to £86,569 which would crystallise should the Plan at some time in the future be wound up or an event occurs as a result of which there are no remaining employers participating in the Plan.

AEGON Group Personal Pension Scheme

The Camden Society participates in a Group Personal Pension scheme administered by AEGON, which is a defined contribution scheme for the benefit of its employees. Contributions to the scheme during the year amounted to £3,345 (2020 - £4,929). As at the balance sheet date there was 1 active members of the Scheme employed by the Society (2020 - 2). The scheme was closed to new members from 29 April, 2014. The amount outstanding in respect of this Scheme at the year-end was £Nil (2020 - £Nil).

The Pensions Trust Flexible Retirement Plan

Ansar Projects began participating on the The Pensions Trust Flexible Retirement Plan on the 1st April 2019 with contributions to the scheme during the period amounted to £Nil (2020: 18,948). The members of this scheme were transferred to The People's Pension Fund as of 1st January 2020. At the balance sheet date there were nil (2020 - nil) active members of the scheme. The amount outstanding in respect of this Scheme at the year-end was £Nil (2020 - £Nil).

The People's Pension Scheme

The Camden Society, The Camden Society (London), Unity Works Social Enterprises, Ansar Projects and Thera East Midlands participate in The People's Pension Fund, which is a defined contribution scheme for the benefit of its employees. Contributions payable during the period amount to £198,649 (2020 - £171,562). The amount outstanding in respect of this Scheme at the year-end was £Nil (2020 - £Nil). At the balance sheet date there were 399 active members of the scheme employed by the society (2020 - 429).

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

23a Analysis of group net assets between funds (current year)

	General unrestricted £	Revaluation reserve £	Designated funds £	Restricted funds £	Total funds £
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	2,046,271	530,776	-	-	2,577,047
Investment properties owned	6,020,709	(478,891)	-	-	5,541,818
Investment properties leased	2,816,804	912,588	-	-	3,729,392
Investments	72,868	-	-	-	72,868
Net current assets	11,926,888	-	39,729	384,619	12,351,236
Long term liabilities	(10,618,146)	-	-	-	(10,618,146)
Defined benefit pension scheme liability	(1,639,271)	-	-	-	(1,639,271)
Net assets at 31 March 2021	10,626,123	964,473	39,729	384,619	12,014,944

23b Analysis of restated group net assets between funds (prior year)

	General unrestricted £	Revaluation reserve £	Designated funds £	Restricted funds £	Total funds £
Intangible fixed assets	368,321	-	-	-	368,321
Tangible fixed assets	2,293,030	477,087	-	-	2,770,117
Investment properties owned	5,560,230	(37,173)	-	-	5,523,057
Investment properties leased	2,816,804	1,035,423	-	-	3,852,227
Investments	83,368	-	-	-	83,368
Net current assets	5,390,969	-	47,992	376,751	5,815,712
Long term liabilities	(5,950,639)	-	-	-	(5,950,639)
Defined benefit pension scheme liability	(870,791)	-	-	-	(870,791)
Net assets at 31 March 2020	9,691,292	1,475,337	47,992	376,751	11,591,372

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24a Movements in funds (current year)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Support for Ms TE	2,356	-	-	-	2,356
Loughborough sensory room and garden	418	-	-	-	418
Other property-specific projects	32,258	4,725	(6,128)	-	30,855
The Hollies fund	2,663	-	-	-	2,663
L and D generic training	8,744	-	(510)	-	8,234
Holiday support fund	977	-	(739)	-	238
Innovation Bursary Safe and Secure	(1,003)	-	-	1,003	-
Sawston Hydrotherapy Pool	2,912	-	(855)	-	2,057
Clacton Beach Hut	(149)	1,115	(615)	-	351
Gig buddies	10,198	48,319	(84,350)	25,833	-
TEN project	5,623	-	-	-	5,623
Building Bridges	9,663	-	(158)	-	9,505
Allsorts	459	40	-	-	499
Grantham	54	-	-	-	54
Scottish NVQ	44,636	-	(7,764)	-	36,872
Happy Snapper	80	-	-	-	80
Apprenticeship levy - Government Grant	11,958	26,101	(26,036)	-	12,023
Innovate & Cultivate	19,668	-	(6,690)	-	12,978
Riverside Project	445	650	(445)	-	650
Legacies	-	5,000	-	-	5,000
Thera Connex	-	6,026	(3,427)	-	2,599
Total restricted funds	151,960	91,976	(137,717)	26,836	133,055
Unrestricted funds:					
Designated development fund	32,992	-	(8,263)	-	24,729
Designated funds	32,992	-	(8,263)	-	24,729
Revaluation reserve	27,867	27,000	-	-	54,867
Pension reserve	(383,000)	-	(431,235)	-	(814,235)
General funds	8,125,451	12,431,952	(11,029,175)	(26,836)	9,501,392
General funds	7,742,451	12,431,952	(11,460,410)	(26,836)	8,687,157
Total unrestricted funds	7,803,310	12,458,952	(11,468,673)	(26,836)	8,766,753
Parent charity total funds as at 31 March 2021	7,955,270	12,550,928	(11,606,390)	-	8,899,808

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24a Movements in funds (current year continued)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Charity total fund balance carried forward	7,955,270	12,550,928	(11,606,390)	-	8,899,808
Restricted funds:					
Equal Futures Memberships	850	-	-	-	850
Hugh Fraser	1,250	-	(1,250)	-	-
Kennyhill Bequest	4,754	4,000	(4,000)	-	4,754
Foundations Scotland	-	2,893	-	-	2,893
Foundations Scotland	-	4,441	-	-	4,441
Big Lottery Fund	60,465	-	(5,897)	-	54,568
The Big Lottery - Riverside Development Project	9,065	(9,065)	-	-	-
Riverside Development Project	24,550	(25,000)	450	-	-
Greenwich Work Train	30,712	145,000	(145,000)	-	30,712
Islington Pro-Work	998	-	-	-	998
Legacy donation	-	6,740	-	-	6,740
Donations	-	3,615	(1,338)	(1,898)	379
Deloitte	25,960	-	-	-	25,960
BGC JobsOhio	7,476	-	(1,661)	-	5,815
Great Escape	3,033	5,073	(283)	-	7,823
CIA Big Lottery	-	28,000	(28,000)	-	-
LB Havering Business Support Grants	-	20,241	(20,241)	-	-
LCRF Wave 1, Chelsea FC Foundation & MCC	-	88,091	(89,989)	1,898	-
ESFA	-	16,000	(16,000)	-	-
Young Camden & Camden SAF - Employment	-	5,933	(5,933)	-	-
LCRF Wave 2	-	29,035	(29,035)	-	-
Arsenal FC Foundation	-	1,000	(1,000)	-	-
Hampstead Wells & Campden Trust ESA	-	7,500	(2,847)	-	4,653
FSF Essex	-	11,613	(1,631)	-	9,982
Rank Foundation	-	25,000	(25,000)	-	-
The National Lottery Community Fund	-	46,479	(46,479)	-	-
Postcode Neighbourhood Trust Unity Pies	-	18,679	-	-	18,679
FSF Barnet	-	7,848	(3,656)	-	4,192
Markyes Close	55,678	-	(6,667)	-	49,011
Donations	-	14,181	(67)	-	14,114
Hfds Comm HCF Grant	-	5,000	-	-	5,000
Rural Media Charity	-	2,000	(2,000)	-	-
Neighbourly Community	-	400	(400)	-	-
The National Lottery Community Fund	-	26,660	(26,660)	-	-
Total restricted funds	224,791	491,357	(464,584)	-	251,564
Unrestricted funds:					
Designated funds:					
Agnes Hunter Trust	15,000	-	-	-	15,000
Total designated funds	15,000	-	-	-	15,000
Revaluation reserve	1,447,470	36,900	(564,553)	(10,211)	909,606
Pension reserve	(487,791)	-	(337,245)	-	(825,036)
General funds	2,436,632	66,177,418	(65,860,259)	10,211	2,764,002
General funds	1,948,841	66,177,418	(66,197,504)	10,211	1,938,966
Total unrestricted funds	3,411,311	66,214,318	(66,762,057)	-	2,863,572
Group total funds as at 31 March 2021	11,591,372	79,256,603	(78,833,031)	-	12,014,944

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24a Movements in funds (current year continued)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Reconciled to:					
Unrestricted funds	9,691,292	78,609,370	(77,657,914)	(16,625)	10,626,123
Revaluation	1,475,337	63,900	(564,553)	(10,211)	964,473
Designation funds	47,992	-	(8,263)	-	39,729
Restricted funds	376,751	583,333	(602,301)	26,836	384,619
Group total funds as at 31 March 2021	11,591,372	79,256,603	(78,833,031)	-	12,014,944

The narrative to explain the purpose of each fund is given at the foot of the note below.

24b Movements in funds (prior year)

	Restated At 1 April 2019 £	Income and gains £	Expenditure and losses £	Transfers £	Restated At 31 March 2020 £
Restricted funds:					
Support for Ms TE	2,356	-	-	-	2,356
Loughborough sensory room and garden	777	-	(359)	-	418
Other property-specific projects	33,844	-	(1,586)	-	32,258
The Hollies fund	2,663	-	-	-	2,663
L and D generic training	8,914	-	(170)	-	8,744
Holiday support fund	977	-	-	-	977
Horse riding, Boston	35	-	(35)	-	-
Innovation Bursary Safe and Secure	(1,002)	-	(1)	-	(1,003)
Sawston Hydrotherapy Pool	1,766	3,250	(2,104)	-	2,912
Clacton Beach Hut	708	96	(953)	-	(149)
Gig buddies	14,038	55,789	(59,629)	-	10,198
TEN project	5,747	-	(124)	-	5,623
Building Bridges	8,004	35,248	(33,589)	-	9,663
Allsorts	353	106	-	-	459
Grantham	54	-	-	-	54
Scottish NVQ	45,278	-	(642)	-	44,636
Natwest Project (DOSH)	5,248	9,990	(15,238)	-	-
Happy Snapper	79	1	-	-	80
Apprenticeship levy - Government Grant	43,860	26,147	(58,049)	-	11,958
Innovate & Cultivate	-	41,946	(22,278)	-	19,668
Riverside Project	-	445	-	-	445
Total restricted funds	173,699	173,018	(194,757)	-	151,960
Unrestricted funds:					
Designated development fund	23,467	-	(475)	10,000	32,992
Designated funds	23,467	-	(475)	10,000	32,992
Revaluation reserve	27,867	-	-	-	27,867
Pension reserve	(689,000)	306,000	-	-	(383,000)
General funds	6,980,850	10,419,139	(9,264,538)	(10,000)	8,125,451
General funds	6,291,850	10,725,139	(9,264,538)	(10,000)	7,742,451
Total unrestricted funds	6,343,184	10,725,139	(9,265,013)	-	7,803,310
Parent charity total funds as at 31 March 2020	6,516,883	10,898,157	(9,459,770)	-	7,955,270

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24b Movements in funds (prior year continued)

	Restated At 1 April 2019 £	Income and gains £	Expenditure and losses £	Transfers £	Restated At 31 March 2020 £
Charity total fund balance carried forward	6,516,883	10,898,157	(9,459,770)	-	7,955,270
Restricted funds:					
Dolphins Den	6	-	-	(6)	-
Scottish Government	-	22,500	(22,500)	-	-
Scottish Government (Pilot Project)	10,208	-	(10,208)	-	-
Tudor Trust	5,000	-	(5,000)	-	-
Kennyhill Bequest	4,020	4,000	(3,266)	-	4,754
Equal Futures Memberships	1,606	1,050	(1,558)	(248)	850
Corra Foundation	1,667	-	(1,667)	-	-
Stafford Trust	1,042	-	(1,042)	-	-
Hugh Fraser	-	5,000	(3,750)	-	1,250
Big Lottery Fund	35,411	115,573	(90,969)	-	60,015
The Big Lottery - Riverside Development Project	9,065	-	-	-	9,065
Riverside Development Project	-	25,000	-	-	25,000
John Lyons Pro-Work	(2,960)	-	-	2,960	-
Greenwich Work Train	34,746	145,000	(149,034)	-	30,712
Islington Pro-Work	998	-	-	-	998
Deloitte	-	26,000	(40)	-	25,960
BGC JobsOhio	-	7,476	-	-	7,476
Great Escape	-	3,033	-	-	3,033
Markyes Close	62,344	-	(6,666)	-	55,678
Building Better Opportunities	-	42,009	(42,009)	-	-
Total restricted funds	163,153	396,641	(337,709)	2,706	224,791
Unrestricted funds:					
Designated funds:					
Circle of Support	960	-	-	(960)	-
Baily Thomas	3,333	-	(3,333)	-	-
Agnes Hunter Trust	-	15,000	-	-	15,000
Total designated funds	4,293	15,000	(3,333)	(960)	15,000
Revaluation reserve	1,070,981	386,700	-	(10,211)	1,447,470
Pension reserve	(614,000)	126,209	-	-	(487,791)
General funds	3,518,997	61,970,621	(63,061,451)	8,465	2,436,632
	2,904,997	62,096,830	(63,061,451)	8,465	1,948,841
Total unrestricted funds	3,980,271	62,498,530	(63,064,784)	(2,706)	3,411,311
Group total funds as at 31 March 2020	10,660,307	73,793,328	(72,862,263)	-	11,591,372
	Restated At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	Restated At 31 March 2020 £
Reconciled to:					
Unrestricted funds	9,196,847	72,821,969	(72,325,989)	(1,535)	9,691,292
Revaluation	1,098,848	386,700	-	(10,211)	1,475,337
Designation funds	27,760	15,000	(3,808)	9,040	47,992
Restricted funds	336,852	569,659	(532,466)	2,706	376,751
Total funds	10,660,307	73,793,328	(72,862,263)	-	11,591,372

Thera Trust

Notes to the Financial Statements

for the year ended 31 March 2021

24 Movements in funds (continued)

Purposes of restricted funds

Support for Ms TE

Amount donated to provide support to Ms TE.

Loughborough sensory room and garden

NHS and other charitable funds to pay for the fit-out and equipping of a sensory room and a sensory garden project.

Other property-specific projects

Various other property-specific projects undertaken.

The Hollies fund

This fund arises from a legacy received which is to be used for the benefit of the service users living in The Hollies and for The Hollies itself.

L and D generic training

Funding for staff training to enable staff to give better quality support.

Holiday support fund

Amount donated to cover additional holiday support costs for people supported by Thera.

Innovation Bursary Safe and Secure

Innovation bursary received from Leicester County Council to provide Safe and Secure workshops.

Sawston Hydrotherapy Pool

Local fundraising to purchase a hydrotherapy pool for a house in Cambridgeshire.

Clacton Beach Hut

Local fundraising to purchase a beach hut in Essex.

Gig Buddies

Funding from Midlothian Council to support people to attend music gigs and functions.

TEN Project

Funding from the Scottish Government to a collaboration between three organisations to provide formal support with informal networks.

Building Bridges



Dolphins' Den is part of Building Bridges. Building Bridges is a partnership of organisations, led by Community First, that has come together to deliver the Building Better Opportunities Programme across Swindon and Wiltshire.

The project has received up to £6.4M of funding from the European Social Fund and The National Lottery Community Fund as part of the 2014-2020 European Structural and Investment Funds Growth Programme in England. The Department for Work and Pensions is the Managing Authority for the England European Social Fund programme. Established by the European Union, the European Social Fund helps local areas stimulate their economic development by investing in projects which will support skills development, employment and job creation, social inclusion and local community regenerations. For more information visit <https://www.gov.uk/european-growth-funding>.

Allsorts

Funding from Bingham Town Council for activities for people supported in Bingham, Nottinghamshire.

Grantham

Local fundraising.

Scottish Vocational Qualifications

The Scottish Government Voluntary Sector Development Fund for staff training.

Happy Snapper

Local fundraising to subsidise the costs of a photography group.

Apprenticeship levy - Government Grant

The Apprenticeship Levy Top Up is grant funding provided by HMRC as part of the Apprenticeship Levy scheme.

Innovate & Cultivate

Funding has been received through the Cambridgeshire County Council Innovate and Cultivate fund. The money will enable the My Way project to support more people with a learning disability into employment.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24 Movements in funds (continued)

Purposes of restricted funds (continued)

Legacies

Restricted to the TEA, for the benefit of the people we support, to help to pay for days out activities.

Thera Connex

To support people with a learning disability and keep them connected during Covid-19 and beyond.

Memberships

Lifetime membership fees pay directly for hours worked by a facilitator to build a Circle of Support around a relative with a disability.

Hugh Fraser Foundation

This is allocated specifically to the Glasgow project for salaries and expenditure.

Kennyhill Bequest

This is allocated specifically to the Glasgow project and is for autism training.

Foundations Scotland

In late spring 2021, we aim to deliver two new youth services for 16-18 year olds with additional support needs and their families to support them with the transition from school to further education, training or employment. One will be in Glasgow, the other in Ayrshire.

Foundations Scotland

To enable Equal Futures to recruit 16 new volunteers, revamp their Volunteer Training and deliver it to their volunteer cohort in meaningful, relevant and pandemic-aware circumstances, to better help them support Equal Futures' service users, all of whom have learning disabilities.

The National Lottery Community Fund

Employment Programme to support people with a learning disability become less isolated, improving their communication and social skills and develop new friendships. Improve their health and wellbeing.



Riverside Development Project

Successful fundraising had previously been agreed to invest in the development of the building. The aim of the project was to redesign the way The Riverside is used. Due to the project no longer going ahead, the funds raised are now to be returned to the donors.

Greenwich Work Train

Employment programme that support people with a learning disability, autism and mental health issues to be work ready and move into employment. This service also develops supported volunteering opportunities for vulnerable adults.

Islington Pro-Work

Pro Work is based in City of Westminster College and aims to ensure that students attending employability courses for people with a learning disability will have a clear pathway to employment on graduation. It will work with 35 students per year from April 2016 for 3 years.

Legacy donation

Monies to be spent in or towards the purchase of a caravan or towards any other project which may benefit the clients of West Oxfordshire Supported Living Scheme.

Donations

Various donations including funds to support the homeless meals project and other temporary measures in Café Victoria.

Deloitte

Create an online portal giving students and job seekers access to a Virtual Learning Environment and Case Management System enabling people to independently access their details, CV, job search.

BGC Jobs Ohio

To purchase a coffee cart and sell coffee, thereby creating further employment of people with a learning disability.

Great Escape

Annual break for a week of activities designed to build skills and confidence for the people we support.

CIA Big Lottery

For delivery of a Health & Wellbeing project.

LB Havering Business Support Grants

Grant to support Jacksons Café during 2020.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24 Movements in funds (continued)

Purposes of restricted funds (continued)

LCRF Wave 1, Chelsea FC Foundation & MCC Foundation

Supporting the homeless meals project and other temporary measures in Café Victoria.

ESFA

For delivery of an employment project.

Young Camden & Camden SAF - Employment Project

For delivery of a Health & Wellbeing project.

LCRF Wave 2

To cover the costs of staff to deliver online accreditation and employment support and tablets and dongles to be granted to 20 people supported by Unity Works to help them to get online.

Arsenal FC Foundation

Grant to support the business during 2020.

Hampstead Wells & Camden Trust ESA

To cover the costs of a part time Employment Support Advisor to work with people from the trust's area of benefit in Camden.

FSF Essex

For delivery of an employment project.

Rank Foundation

Grant to support delivery and management costs.

The National Lottery Community Fund

To support continued delivery of employment projects including online sessions.



In partnership with
**THE NATIONAL LOTTERY
COMMUNITY FUND**

Postcode Neighbourhood Trust Unity Pies

To develop new SE Café business stream.

FSF Barnet

For delivery of an employment project.

Markyes Development

Funds given to Aspire Living Ltd to enable the development of Markyes Close residential home from 2 individual bungalows into one home. This was done to aid and benefit the residents of Markyes Close.

Donations

Various local donations for the welfare of the People we support, by providing day trips out, Youth Club annual holiday club and for projects and to cover funeral costs.

Hfds Comm HCF Grant

Funds give to provide support, such as tablets, so that Aspire Living Ltd can continue to provide activities for people we support in the safety of their own homes.

Rural Media Charity

To fund the "my Place" Project including filming and editing.

Neighbourly Community

To support local causes already within the Neighbourly community that will be most affected by the impacts of COVID-19 in the coming months, to be used specifically for Meals on Wheels.

The National Lottery Community Fund

To cover the costs of establishing online services, online session content and delivery, IT equipment and craft boxes to keep people engaged over lockdown.



In partnership with
**THE NATIONAL LOTTERY
COMMUNITY FUND**

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

24 Movements in funds (continued)

Purposes of restricted funds (continued)

Prior Year

Horse riding, Boston

Amount donated to cover horse riding costs for an individual within Thera East Midlands.

Natwest Project (DOSHS)

Money & life skills workshops for young people with a learning disability looking to move to their own home, get a job or move to the next stage of their lives.

Scottish Government

The Scottish Government funding is in respect of core funding and grants are applied for on an annual basis.

Scottish Government (Pilot Project)

The Scottish Government grant is for the Volunteer Community Connectors project.

Tudor Trust

This grant from the Tudor Trust is for developing circles of support for young people with autism in partnership with a carers centre in Glasgow.

Corra Foundation

This is allocated specifically towards the core costs of a project with East End Carers Hub in Shettleston supporting carers of young people with autism.

Stafford Trust

This is allocated specifically to the Glasgow project for salaries and expenditure.

John Lyon's Pro-Work

Pro Work is based in City of Westminster College and aims to ensure that students attending employability courses for people with a learning disability will have a clear pathway to employment on graduation. It will work with 35 students per year from April 2016 for 3 years.

Building Better Opportunities

Building Better Opportunities Herefordshire is funded by The National Lottery Community Fund and European Social Fund, funding supports projects in England that tackle poverty and promote social inclusion. Aspire are funded as a partnership through Landau to tackle unemployment and economic inactivity in over 19s. Our project supports adults with a learning disability to access training and progress towards employment, paid or voluntary.

Purposes of designated funds

Agnes Hunter

This fund has been granted for the project Social Inclusion for people with Learning Disabilities to assist people with learning disabilities to reduce loneliness and social isolation through befriending and 'Circle' building.

Kennyhill Bequest

This is funding towards core costs for Equal Futures, but is designated for provision in Glasgow.

Prior Year

Circle of Support Fund

This is a fund which was generated by a volunteer who ran a marathon in the course of the year and donated the proceedings.

BailyThomas

This fund is to be used for core costs associated with Circles of Friendship and Support.

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

	2021	2020
	£	£
Net income for the reporting period	1,288,572	566,629
(as per the statement of financial activities)		
Depreciation charges and impairment	439,819	397,752
Gain on disposal of investment property	(545,105)	-
Loss / (Surplus) on disposal of fixed assets	24,880	(3,050)
Surplus on disposal of investments	(505)	(3,750)
Unrealised (Gains) losses on investment properties	564,553	(386,700)
Unrealised (Gains)/losses on fixed assets	(63,900)	-
Interest receivable	(8,765)	(26,345)
Interest payable	560,587	450,231
Amortisation of intangible fixed assets	368,321	61,387
Decrease / (increase) in stocks	2,455	(5,515)
Decrease / (increase) in debtors	651,822	(464,278)
Increase / (decrease) in creditors	1,250,354	(133,838)
Net change in the defined benefit pension liability	(96,520)	(67,773)
Net cash provided by operating activities	4,436,568	384,750

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

26 Changes in net debt	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash at bank and in hand	1,090,666	6,653,277	-	7,743,943
Total cash and cash equivalents	1,090,666	6,653,277	-	7,743,943
Bank loans due within one year	(135,895)	(9,730)	-	(145,625)
Bank loans due beyond one year	(971,379)	155,372	-	(816,007)
Other loans due within one year	(1,985,502)	1,985,502	-	-
Other loans due beyond one year	(4,860,062)	(4,873,749)	-	(9,733,811)
Finance leases due under one year	(56,193)	5,105	-	(51,088)
Finance leases due beyond one year	(119,198)	50,870	-	(68,328)
Changes in net debt	(8,128,229)	(2,686,630)	-	(10,814,859)
Total	(7,037,563)	3,966,647	-	(3,070,916)

27 Operating lease commitments - payable as a lessee

Group

The group's total future minimum lease payments payable under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	1,544,613	1,420,895	297,419	311,730
One to five years	5,880,949	5,606,020	333,346	537,357
Over five years	13,900,488	14,110,244	-	-
	21,326,050	21,137,159	630,764	849,087

Charity

The charity's total future minimum lease payments payable under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	58,861	58,861	271,584	294,721
One to five years	213,077	235,444	279,927	499,301
Over five years	-	36,494	-	-
	271,938	330,799	551,511	794,022

28 Operating lease commitments - receivable as a lessor

Group

The group's total future minimum lease payments receivable under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2021 £	2020 £
Less than one year	1,338,821	1,251,827
One to five years	5,183,265	4,563,352
Over five years	13,548,902	13,285,808
	20,070,988	19,100,987

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

28 Operating lease commitments - receivable as a lessor

Charity

There is no rent receivable in the Charity.

29 Contingent liabilities

In 1977 The Camden Society received a grant from the London Borough of Camden towards the purchase of property in Brightlingsea, Essex. Under the grant agreement, should the property be disposed of and the proceeds not be reinvested in an alternative property for the aims of the charity, then the London Borough of Camden have the right to request a proportion of the sale proceeds.

On 19th March, 2021, the Supreme Court ruled on a case involving another employer in relation national minimum wage regulations and sleep-ins. Thera has previously recorded an unquantifiable contingent liability dependent upon the outcome of that case. The Supreme Court ruling means that Thera's current contractual and policy framework continues to comply with all relevant regulations and no contingent liability is now expected.

30 Post balance sheet events

From 1st April, 2021, Thera South Midlands no longer manages any contracts, sub-contracted for delivery to the Camden Society. Therefore, it is intended that any remaining assets or liabilities will be transferred to the Camden Society, or written off if appropriate, and Thera South Midlands will become dormant.

Following the collection of outstanding debtors and settlement of outstanding creditors, Folegandros will make an application for the company to be struck off the register of companies.

The Quality Company changed its name to Kimolos Limited on 3rd June 2020. Once outstanding debts of the Kimolos (formerly The Quality Company) have been collected and creditors settled, it is the intention of the directors for any remaining assets to be transferred to a new company named The Quality Company (formerly Kimolos Limited) and to apply for the company to be struck off the register of companies.

31 Legal status of the charity

The charity and its subsidiaries are companies limited by guarantee and have no share capital (with the exception of Kimolos (formerly The Quality Company Limited) which has 1 Ordinary Share of 1 pence and Folegandros Limited which has 2 Ordinary Shares of £1 each). The liability of each member in the event of winding up is limited to £1.

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

32 Prior year restatement

Restatement of prior year Nottinghamshire County Council Local Government Pension Scheme- Group

The following restatement is in respect of Thera East Midlands.

Following the TUPE of staff in 2018, it has been necessary to introduce the liability for the local government pension scheme, this involves the restatement of the opening reserves position, as at 1 April 2019, along with the introduction of transactions related to the pension scheme during 2020;

The opening reserves were restated from £nil to a deficit of £614,000. During 2020 a net surplus in the scheme of £126,209 was recognised, reducing the balance sheet deficit at the year end, 31 March 2020 to £487,791. A pension liability of £487,791 is now included in the balance sheet within creditors due after more than one year.

Reserves position	Unrestricted £	Restricted 31-Mar-20 £	Total £	Unrestricted £	Restricted 01-Apr-19 £	Total £
Funds previously reported	-	-	-	-	-	-
Net impact of funds restatement	(614,000)	-	(614,000)			
Restated opening funds	(614,000)	-	(614,000)			
Adjustments on restatement						
Actuarial pension scheme liability for the Nottinghamshire LGPS		-	-	(614,000)	-	(614,000)
Funds restated	(614,000)	-	(614,000)	(614,000)	-	(614,000)

THERA TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

32 Prior year restatement (continued)

Restatement of prior year Nottinghamshire County Council Local Government Pension Scheme - Group (continued)

Reserves position	Unrestricted	Restricted	Total			
	£	£	£	Unrestricted	Restricted	Total
	31-Mar-21			£	£	£
	£	£	£	£	£	£
Funds previously reported	-	-	-			
Net impact of funds restatement	(487,791)	-	(487,791)			
Restated opening funds	(487,791)	-	(487,791)			
Adjustments on restatement						
Actuarial pension scheme liability for the Nottinghamshire LGPS		-	-			
Funds restated	(487,791)	-	(487,791)			
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
	31-Mar-21			31-Mar-20		
	£	£	£	£	£	£
Impact on income and expenditure						
Net income / (expenditure) as previously reported	520,075	-	520,075	490,711	-	490,711
Adjustments on restatement						
Recognise current year service cost***	-	-	-	(66,000)	-	(66,000)
Remove employer contributions***	-	-	-	17,209	-	17,209
Adjust for actuarial movements***	-	-	-	175,000	-	175,000
Net income / (expenditure) as restated	520,075	-	520,075	616,920	-	616,920

*** already included in £520,075 in Y/e 31.3.21