



THERA TRUST

3.50% Bond Due 29 October 2017

6.25% Bond Due 29 October 2024

Overview

Thera Trust (“Thera”) is the sole charitable parent company of a group of companies (“Thera Companies”) that work with people with a learning disability.

The beneficiaries of the work of Thera Companies are people with a learning disability themselves, their families, carers and the communities in which they live. It is Thera’s vision to ensure that people with a learning disability – some of the most disadvantaged people in society – are supported to choose and control their lives and care and, indeed, to control Thera itself.

Many people with a learning disability have had a difficult history in the UK – labelled, locked away in institutions and excluded from society. Most have had substantial limitations placed on their life opportunities and as a result many have lost contact with family, been unable to maintain or develop a network of friends, integrate in the local community and have relied exclusively on paid staff for the majority of their life.

Thera was established in 1998 and at that time it supported 5 beneficiaries in Cambridgeshire and had an annual income of £185,000. Currently, Thera Companies together support more than

1,700 beneficiaries in a range of communities across England and in a small area of Scotland. Thera’s income has grown to £44.3m in the year to 31 March 2013.

Thera’s vision is to be an organisation that involves people with a learning disability in how it is led and managed; where people have a voice, can set the agenda, demonstrate their abilities and talents and work towards their life goals by taking control of their own lives, as well as controlling the organisation that supports them.

Thera supports beneficiaries in their own homes, in the community and for short breaks. Thera Companies also provide more specialised support such as financial advocacy, support into employment, social enterprises, peer review of quality and support for people to employ their own teams of staff. This work is under contract, usually with the social services department of a local authority.



Financial summary

In the year to 31 March 2013, Thera Trust generated revenues of £44.3m (£43.9m in the year to 31 March 2012) and a net surplus (before the impact of any property revaluations) of £268,000 (£435,000 in the year to 31 March 2012).

Thera Trust had total assets valued at £13.4m, including 17 freehold properties and one long leasehold property. Thera Trust had total reserves of £5.6m.

Key features

Issuer	Thera Trust	
Use of Proceeds	The net proceeds shall be applied by the Issuer for general charitable purposes in accordance with the charitable objectives of Thera Trust	
Listing	Luxembourg Stock Exchange (Euro MTF)	
Issue Size	£2,000,000	£2,000,000
Tenor	3 years	10 years
Coupon	3.5% gross per annum, paid semi-annually in arrears	6.25% gross per annum, paid semi-annually in arrears
Status	Unsecured, unsubordinated debt	
Key Terms	<ul style="list-style-type: none">• Capital markets negative pledge• Cross default to existing debt• Financial covenants:<ul style="list-style-type: none">• Interest Cover > 2.5x• Asset Cover > 1.3x• Information covenants include:<ul style="list-style-type: none">• Annual independent Social Impact report Further detail can be found in the section "Terms and Conditions of the Note" of the Offering Circular	
Minimum Denomination	£100,000	
Timetable	Closes 23.59 on 24 October 2014 (unless fully subscribed beforehand)	

Disclaimer

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Key risk factors

Thera Trust believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Further information on the risks is available in the Risk Factors section of the Offering Circular.

Bonds are the unsecured corporate

obligations of Thera Trust: The Bonds will be direct, unconditional, unsubordinated and unsecured obligations of Thera Trust and will not be guaranteed by, or be the responsibility of, any other person. The Bonds will rank pari passu with Thera Trust's existing and future unsecured unsubordinated debt obligations but will rank behind existing secured bank loans which Thera Trust has outstanding.

Repayment risk: The ability to make payments of principal and interest under the Bonds will depend primarily on Thera Trust's financial performance over the period of each Bond.

Secondary market: Bonds will not have an established trading market when issued, and one may never develop. If a market does develop, it may not be liquid.

Other risks include:

- Addition of smaller companies to the Thera Group and integration risk
- Changes in the UK property market
- Public sector funding cuts
- Pension risk
- Changes in government policy regarding disability allowances
- Operational risks

How to apply

This document is made to and is directed only at professional investors and/or eligible counterparties.

This document does not constitute financial advice and all investment decisions should be made on the basis of the Offering Circular.

To receive a hard copy of the Offering Circular and a subscription application form or for any questions, please contact Investing for Good on 020 7060 1175 or email socialbonds@investingforgood.co.uk.