

**REGISTERED NUMBER: 07763903 (England and Wales)**

**ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014  
FOR  
CARE AND SUPPORT SUNDERLAND LIMITED**



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FOR THE YEAR ENDED 31 MARCH 2014**

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**CARE AND SUPPORT SUNDERLAND LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2014**

**DIRECTORS:**

Ms A Wilson  
Ms A Lawson  
Ms J E Fletcher

**SECRETARY:**

Dr D Smith

**REGISTERED OFFICE:**

c/o Sunderland City Council  
Civic Centre  
Sunderland  
Tyne and Wear  
SR2 7DN

**REGISTERED NUMBER:**

07763903 (England and Wales)

**AUDITORS:**

Robson Laidler LLP  
Statutory Auditor  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
Tyne and Wear  
NE2 1TJ

**BANKERS:**

National Westminster Bank Plc  
52 Fawcett Street  
Sunderland  
SR1 1SB

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their strategic report for the year ended 31 March 2014.

Care and Support Sunderland Ltd provides 24 hour care and support to people with a Learning Disability, Autism or Challenging Behaviour in a range of building based Residential Care and Independent Living Schemes.

The company is a Local Authority Controlled Company (LATC) and is ultimately owned by Sunderland City Council.

**REVIEW OF BUSINESS**

Care and Support Sunderland Ltd continued to provide high levels of care and support to its managed facilities over the last year, and all of its registered services are currently fully compliant with Care Quality Commission (CQC) standards.

The company has a thriving Carers Group which monitors service delivery and co-produces changes in service redesign or developments. This Carers Group has been recognised nationally as good practice.

The company continues to develop its services and has recently expanded its service offer by providing services to two individuals who had moved out of its residential services into their own homes.

The company offers an extensive training and development programme which ensures its workforce has the skills to support people with complex needs.

The company has excellent partnership working arrangements with Health and Social Care professionals, registered Social Landlords who own the buildings in which the company operates within and with commissioners of the service.

A fundamental review of the company's staff structure has been undertaken during the year. The findings of the review will be used to shape the future company structure in order to meet the company's financial requirements and to ensure the company is fit for purpose in delivering high quality services that future service users will want to purchase via their personal budgets.

The company's turnover increased by 12% to £7,656,051 (2013: £6,837,696). Losses incurred in the year totalled £304,878 (2013: £627,838).

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2014**

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Liquidity risk**

The company has reduced its current service overheads and costs through a transformational programme which has included relocating the company's headquarters, reviewing all utility and associated building related costs and being more efficient in the way it provides services. Work is currently underway to determine the future model for the company, with an aim of ensuring the company is financially sustainable in the long term.

**Market risk**

The major risks to the business are customer losses through reduction in personal budgets, and company unit costs being too high to win contracts or new business when compared to other providers.

Also the company has to ensure that its building service model of group living in small registered homes is one that future services users will want to purchase.

Care and Support Sunderland Ltd mitigates these risks by continually monitoring market prices, driving down costs, exploring new ways to sell and expand services, introducing new unit costs for all services and providing a first class service to customers.

The company is also working with the Local Authority commissioners in looking to de-register the buildings with a view to creating more choice for services users along with enabling them to have greater rights as tenants and also give them more disposal income, which will enable them to shape their lives using this additional income. Guidance from the Government is that people should live in residential care only where they choose to do so and is the best place to meet their individual needs. Cedar Grange and Whitby Rise will be first two homes to de-register in July 2014.

**Operational risk**

The company continuously monitors the range, efficiency and availability of its services and any fluctuating customer demands to ensure that it is able to meet those demands and business opportunities as and when they arise.

There are processes in place to monitor all operational risks and service delivery, with clear business continuity plans in place to address any issues.

The company is currently reviewing its current staffing structure and Terms and Conditions to ensure the company meets all equal pay considerations and has a workforce able to deliver the company's aims and objectives.

**Financial risk**

Financial risks are managed through internal management controls, financial planning, timely and accurate management information and by careful monitoring of all budget costs and income. Stock and debtor controls are also vigorously monitored. Issues identified are acted upon with mitigating actions put in place as appropriate. An internal audit plan and checks are in place and regularly reviewed with any recommendations from audits implemented across the company.

The company continues to work in partnership with Sunderland City Council in monitoring all financial and efficiency plans.

**ON BEHALF OF THE BOARD:**

  
.....  
Ms A Lawson - Director

Date: 4/9/14 .....

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2014**

The directors present their report with the accounts of the company for the year ended 31 March 2014.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of management and operation of supported housing.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2014.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report.

Ms A Wilson  
Ms A Lawson  
Ms J E Fletcher

**EMPLOYEE INVOLVEMENT**

The company is committed to employee involvement and encourages the development of cooperation with employees. To this end, the company's policy is to ensure that employees are kept fully informed on matters which affect them, through direct communication and established procedures for joint consultation.

Disabled persons - the company has continued to examine ways and means of providing employment for disabled employees, under normal terms and conditions, with opportunities for training, career development and promotion as appropriate. The company's policy on the employment of disabled persons has been applied as sympathetically as possible.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

CARE AND SUPPORT SUNDERLAND LIMITED (REGISTERED NUMBER: 07763903)

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2014**

**AUDITORS**

The auditors, Robson Laidler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....  
Ms A Lawson - Director

Date: 4/9/14.....

**REPORT OF THE INDEPENDENT AUDITORS TO  
CARE AND SUPPORT SUNDERLAND LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages seven to seventeen, together with the full financial statements of Care and Support Sunderland Limited for the year ended 31 March 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

*M Moran*

Michael Moran FCA (Senior Statutory Auditor)  
for and on behalf of Robson Laidler LLP  
Statutory Auditor  
Fernwood House  
Fernwood Road  
Jesmond  
Newcastle upon Tyne  
Tyne and Wear  
NE2 1TJ

Date: 4/9/2014

**CARE AND SUPPORT SUNDERLAND LIMITED (REGISTERED NUMBER: 07763903)**

**ABBREVIATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
<b>TURNOVER</b>		<b>7,656,051</b>	<b>6,837,696</b>
Cost of sales and other operating income		(7,274,422)	(6,708,518)
		<u>381,629</u>	<u>129,178</u>
Administrative expenses		<u>690,507</u>	<u>755,016</u>
<b>OPERATING LOSS</b>	3	<b>(308,878)</b>	<b>(625,838)</b>
Other finance income	10	<u>4,000</u>	<u>-</u>
		<u>(304,878)</u>	<u>(625,838)</u>
Other finance costs	10	<u>-</u>	<u>2,000</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(304,878)</b>	<b>(627,838)</b>
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b><u>(304,878)</u></b>	<b><u>(627,838)</u></b>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these abbreviated accounts

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2014

	2014 £	2013 £
<b>LOSS FOR THE FINANCIAL YEAR</b>	<b>(304,878)</b>	<b>(627,838)</b>
Actuarial gains on pension scheme	16,000	33,000
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b><u>(288,878)</u></b>	<b><u>(594,838)</u></b>

**CARE AND SUPPORT SUNDERLAND LIMITED (REGISTERED NUMBER: 07763903)**

**ABBREVIATED BALANCE SHEET  
31 MARCH 2014**

	Notes	2014 £	2013 £
<b>CURRENT ASSETS</b>			
Debtors	5	463,787	30,911
Cash at bank and in hand		847,807	219,253
		<u>1,311,594</u>	<u>250,164</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	2,173,897	966,589
		<u>(862,303)</u>	<u>(716,425)</u>
<b>NET CURRENT LIABILITIES</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(862,303)</u>	<u>(716,425)</u>
<b>PENSION LIABILITY</b>	10	<u>(327,000)</u>	<u>(184,000)</u>
<b>NET LIABILITIES</b>		<u><u>(1,189,303)</u></u>	<u><u>(900,425)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1	1
Profit and loss account	9	<u>(1,189,304)</u>	<u>(900,426)</u>
<b>SHAREHOLDERS' FUNDS</b>	14	<u><u>(1,189,303)</u></u>	<u><u>(900,425)</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 4 Sept 2014 and were signed on its behalf by:



Ms A Lawson - Director

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2014**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents income received for supported accommodation recognised on an accruals basis over the period the service is provided.

**Deferred tax**

Deferred tax has not been recognised as the company is expected to be loss making for the foreseeable future.

**Pension costs and other post-retirement benefits**

The company is an admitted body of the Tyne & Wear Pension Fund and provides pension arrangements to the majority of its full time employees. The scheme is classified as a Defined Benefit Scheme based on final pensionable pay and as such must comply with reporting standard FRS17. This requires the company to disclose certain information concerning assets, liabilities, income and expenditure related to the scheme for its employees. These disclosures have been prepared by AON Hewitt the actuary of the Tyne & Wear Pension Fund.

The purpose of the pensions' disclosure is to provide clear information on the impact of the companies' obligation to fund the retirement benefits of its staff on its financial position and performance. Even where this obligation is discharged through a pension fund, the company is responsible for employer's contributions set at a level to ensure the liabilities of the fund can be met.

The liabilities of the pension scheme attributable to the company are included in the Balance Sheet on an actuarial basis using the projected unit method i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees based on assumptions about mortality rates, employee turnover rates and projections of projected earnings for current employees.

Assets have been valued at bid value in accordance with FRS17.

The net Pension Liability is analysed into the following components:

**Current Service Costs**

The increase in liabilities as a result of years of service earned this year is allocated to the Statement of Financial Activities.

**Past Service Costs**

The increase in liabilities arising from current year decisions that affect years of service earned in previous years.

**Interest Costs**

The expected increase in the present value of liabilities during the year as they move one year closer to being paid.

**Expected Return on Assets**

The annual investment return on the fund assets attributable to the company based on an average of the expected long term return.

**Actuarial Gains and Losses**

Changes in the net pension liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions.

**Contributions paid to the Pension Fund**

Cash paid as employer's contributions to the pension fund.

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES - continued

**Going concern**

The financial statements have been prepared on a going concern basis which the directors consider to be the appropriate basis on which to prepare the accounts. Despite again incurring losses in the company's third year of trading, the directors have taken steps to reduce their operating costs in order to ensure that the company can generate a profit. The company's ultimate controlling party Sunderland City Council has confirmed that they will continue to support the company for a period of 12 months from the date the accounts are approved.

2. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	6,143,540	5,658,267
Social security costs	441,997	434,565
Other pension costs	536,811	505,146
	<u>7,122,348</u>	<u>6,597,978</u>

The average monthly number of employees during the year was as follows:

	2014	2013
Care workers	299	266
Administration	5	5
	<u>304</u>	<u>271</u>

**Pension costs**

Employees of Care and Support Sunderland are admitted to the Tyne & Wear Pension Fund, under the regulations governing the Local Government Pension Scheme. This is a defined benefit scheme, meaning that Care and Support Sunderland Limited and employees pay contributions into a fund, calculated at a level intended to balance pension liabilities with investment assets.

In 2013/2014 the company paid £537,000 into the Tyne & Wear Pension Fund which provides members with defined benefits relating to pay and service. The Fund Actuary, based upon triennial actuarial valuations, the last review being at 31 March 2013, determines the employer's contribution rate. Under Pension Regulations, overall contribution rates are set to meet 100% of the overall liabilities of the Fund over a defined period.

3. OPERATING LOSS

The operating loss is stated after charging:

	2014	2013
	£	£
Operating lease rentals	116,088	143,943
Auditors' remuneration	<u>13,650</u>	<u>10,740</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4. TAXATION

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2014 nor for the year ended 31 March 2013.

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

4. TAXATION - continued

Factors that may affect future tax charges

At 31 March 2014 a deferred tax asset of approximately £244,000 was unprovided in the accounts, which has arisen as a result of trading losses available for use against future profits.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Amounts owed by parent company	440,233	-
Other debtors	10,907	12,420
Prepayments and accrued income	12,647	18,491
	<u>463,787</u>	<u>30,911</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	30,611	26,661
Amounts owed to related party	2,046,893	871,755
Accrued expenses	96,393	68,173
	<u>2,173,897</u>	<u>966,589</u>

7. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2014	2013
	£	£
Expiring:		
Between one and five years	-	15,318
	<u>-</u>	<u>15,318</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
			£	£
1	Ordinary £1	£1	<u>1</u>	<u>1</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

9. RESERVES

	Profit and loss account £
At 1 April 2013	(900,426)
Deficit for the year	(304,878)
Actuarial gains/ (losses)	16,000
At 31 March 2014	<u>(1,189,304)</u>
Profit and loss account excluding pension liability	(862,304)
Pension deficit	(327,000)
Profit and loss account	<u>(1,189,304)</u>

10. EMPLOYEE BENEFIT OBLIGATIONS

The disclosures below relate to the funded liabilities within the Tyne & Wear Pension Fund (the 'Fund') which is part of the Local Government Pension Scheme (the 'LGPS'). The funded nature of the LGPS requires Care and Support Sunderland Limited and its employees to pay contributions into the Fund, calculated at a level intended to balance the pensions liabilities with investment assets.

In accordance with Financial Reporting Standards, disclosure of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required,

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2014 £	2013 £
Present value of funded obligations	(1,838,000)	(1,029,000)
Fair value of plan assets	1,511,000	845,000
	<u>(327,000)</u>	<u>(184,000)</u>
Present value of unfunded obligations	-	-
Deficit	<u>(327,000)</u>	<u>(184,000)</u>
Net liability	<u>(327,000)</u>	<u>(184,000)</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

## 10. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Current service cost	537,000	530,000
Interest cost	64,000	32,000
Expected return	(68,000)	(30,000)
Past service cost	-	-
	<u>533,000</u>	<u>532,000</u>
Actual return on plan assets	<u>163,000</u>	<u>58,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Opening defined benefit obligation	1,029,000	344,000
Current service cost	537,000	530,000
Contributions by scheme participants	136,000	137,000
Interest cost	64,000	32,000
Actuarial losses/(gains)	79,000	(5,000)
Benefits paid	(7,000)	(9,000)
	<u>1,838,000</u>	<u>1,029,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Opening fair value of scheme assets	845,000	282,000
Contributions by employer	374,000	377,000
Contributions by scheme participants	136,000	137,000
Expected return	68,000	30,000
Actuarial gains/(losses)	95,000	28,000
Benefits paid	(7,000)	(9,000)
	<u>1,511,000</u>	<u>845,000</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**10. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in the statement of recognised gains and losses are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Actuarial gains/(losses)	16,000	33,000
	<u>16,000</u>	<u>33,000</u>
Cumulative amount of actuarial gains/(losses)	<u>35,000</u>	<u>19,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2014	2013
Equities	66.80%	68.00%
Property	8.50%	9.00%
Government bonds	3.50%	7.00%
Corporate bonds	11.50%	11.00%
Cash	2.90%	1.60%
Other	6.80%	3.40%
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate	4.40%	4.70%
RPI Inflation	3.40%	3.70%
CPI Inflation	2.40%	2.80%
Rate of increase to pensions in payment	2.40%	2.80%
Rate of increase to deferred pensions	2.40%	2.80%
Rate of general increase in salaries	3.90%	4.70%

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

10. EMPLOYEE BENEFIT OBLIGATIONS - continued

The latest actuarial valuation of Care and Support Sunderland Limited's liabilities took place as at 31 March 2013. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the Employer's assets and liabilities for FRS17 purposes are shown above.

**Mortality assumptions**

The mortality assumptions are based on the the recent actual mortality experience of members within the fund and allow for expected future mortality improvements.

**Commutation**

Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre 2008 service) is 75% of the permitted maximum.

**Expected return on assets**

The approximate split of assets for the fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table above. Also shown are the assumed rates of return adopted by the employer for the purposes of FRS17.

Amounts for the current and previous two periods are as follows:

	Year Ended 31.3.14 £	Year Ended 31.3.13 £	Period 6.9.11 to 31.3.12 £
<b>Defined benefit pension plans</b>			
Defined benefit obligation	(1,838,000)	(1,029,000)	(344,000)
Fair value of scheme assets	1,511,000	845,000	282,000
Deficit	(327,000)	(184,000)	(62,000)
Experience adjustments on scheme liabilities			
Experience adjustments on scheme assets	6.30%	3.30%	3.90%

11. ULTIMATE PARENT COMPANY

Care and Support Sunderland (Holding Company) Limited is regarded by the directors as being the company's ultimate parent company.

12. RELATED PARTY DISCLOSURES

**Sunderland City Council**

The company is controlled by Sunderland City Council

Included within creditors falling due within one year is £2,046,893 (2013: £871,755) owed to Sunderland City Council.

During the period management charges of £53,355 (2013: £48,829) were paid to Sunderland City Council in respect of administration costs and services provided.

Included in sales is £7,656,051 received from Care and Support Sunderland (Holding Company) Limited. Included in debtors at 31 March 2014 is £440,233 owed by Care and Support Sunderland (Holding Company) Limited.

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Sunderland City Council.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Loss for the financial year	(304,878)	(627,838)
Other recognised gains and losses relating to the year (net)	16,000	33,000
Net reduction of shareholders' funds	(288,878)	(594,838)
Opening shareholders' funds	(900,425)	(305,587)
Closing shareholders' funds	(1,189,303)	(900,425)