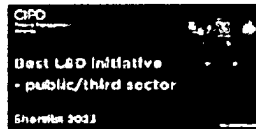


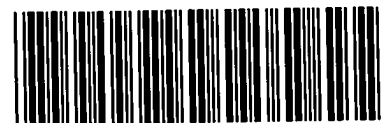
together for children SUNDERLAND

Strategic Report, Report of the Directors
and Financial Statements
Year Ended 31 March 2024
Together for Children Sunderland Limited



The Public Sector Transformation Awards

THURSDAY



AD7LKS06

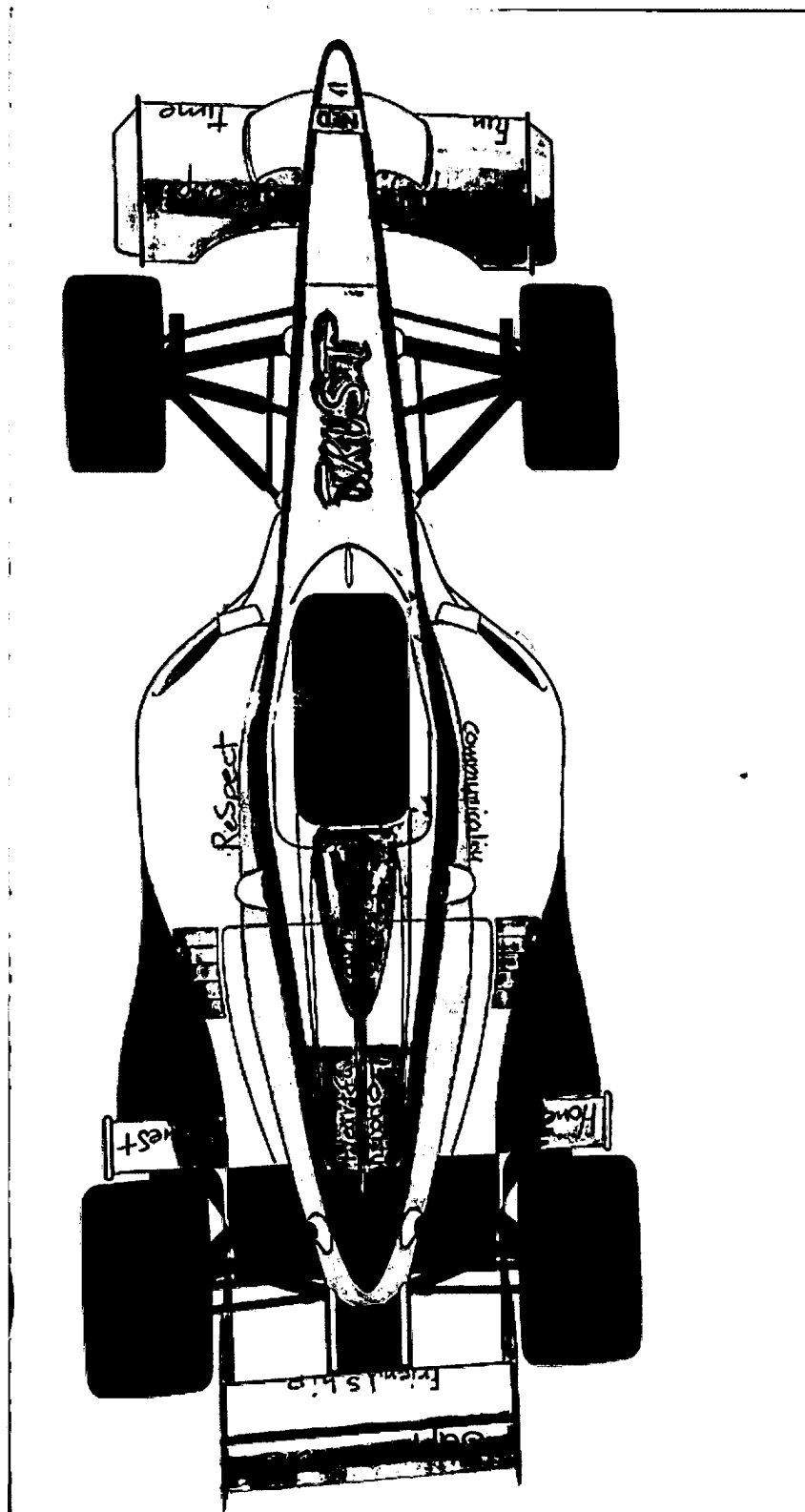
A12

18/07/2024

#115

COMPANIES HOUSE

Artwork kindly provided by a young person who designed a car he would like, that also shows what he feels a healthy relationship should look like.



TOGETHER FOR CHILDREN SUNDERLAND LIMITED

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TOGETHER FOR CHILDREN SUNDERLAND LIMITED

COMPANY INFORMATION

Directors	Ms TL Banks	(Appointed 1 April 2023)
	Ms JP Colbert	
	Mr P Houghton	(Appointed 1 April 2024)
Company number	10085290	
Registered office	City Hall Floor 2 Plater Way Sunderland SR13AA Tyne and Wear England	
Auditor	Robson Laidler Accountants Limited Statutory Auditor Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear NE2 1TJ	

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors present the strategic report for the year ended 31 March 2024.

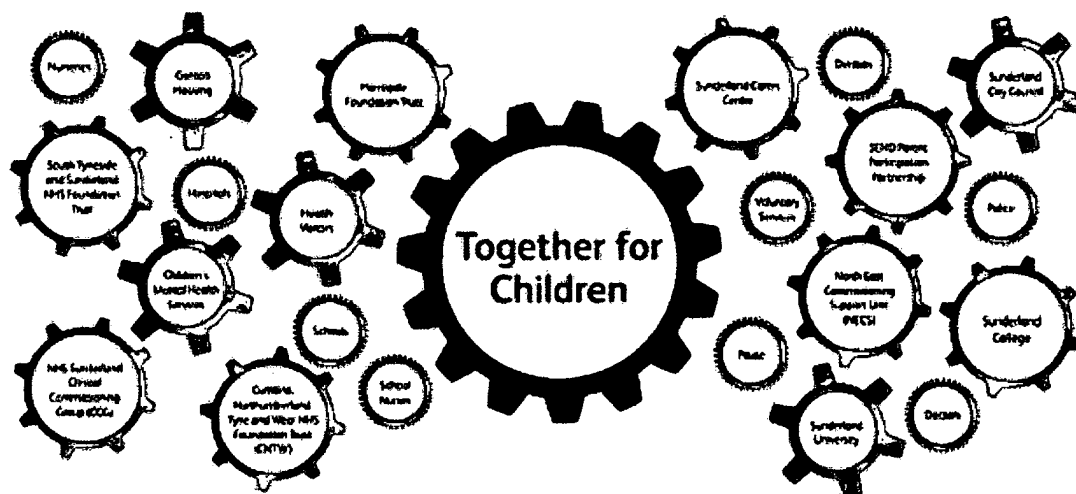
Our Context

Together for Children Sunderland Limited (the Company), a company limited by guarantee, delivers high quality Children's Services on behalf of Sunderland City Council (the Council) by whom it is owned; it is controlled by an independent board to ensure operational independence.

The Company provides a range of services to meet the education, early help and social care needs of Sunderland's children and their families. It cannot do this on its own and therefore works with statutory and community partners in everything it does, note the schematic below. This includes the most fundamental responsibility for the safeguarding and protection of children, including cared for children and those children with special educational needs and disabilities.

Working Together

As partners we all work together to help children have the best start in life



Our Vision and Business Objectives

The Company has a vision to improve the lives of children, young people, and their families. The Company's Business Plan 2022-2025, builds on its journey of continuous improvement through a programme of transformation, optimising resources and keeping children central to all it does, that is:

Putting the child first!

The Company's Business Plan 2022-2025 is centered around the following aspirations and includes a roadmap of how they will be achieved:

- Empowering children and young people to use their voice and influence.
- Inspiring creative and innovate practice.
- Supporting our workforce and making the best use of resources.
- Leading and influencing future policy and direction.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

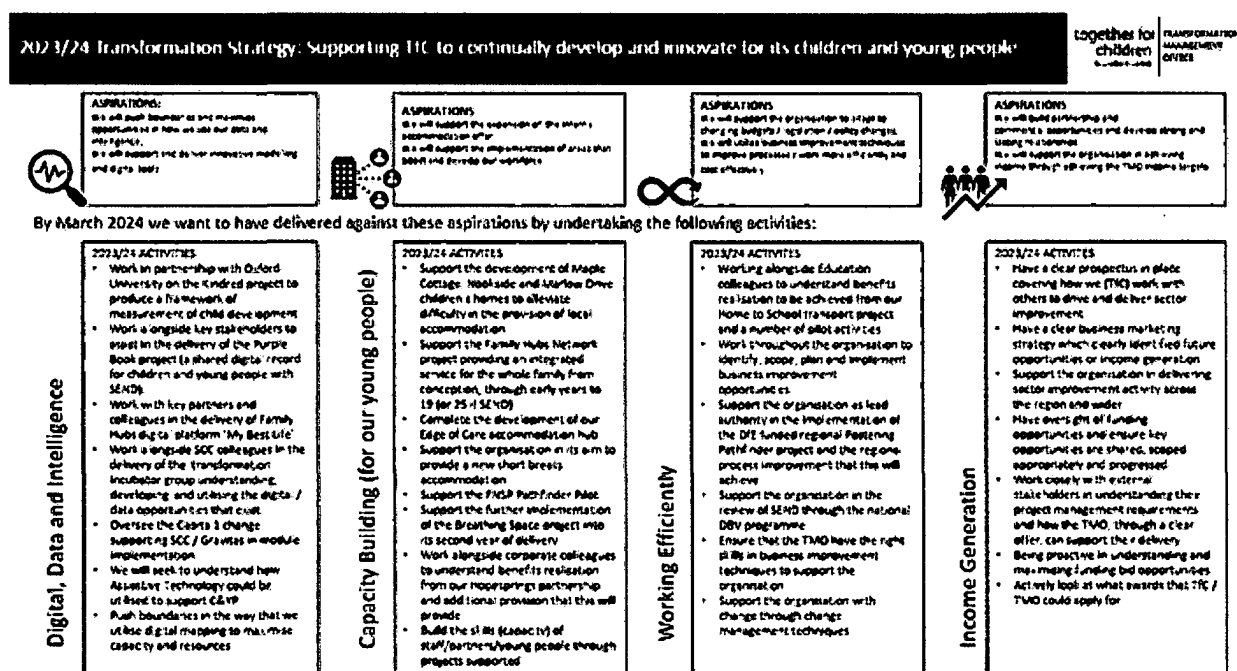
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Our Approach to Transformation

There has been continued transformation, innovation, and service improvement throughout the organisation during 2023/24, and continues to be strongly supported by the Transformation Management Office (TMO). The Company's transformation strategy has delivered against four headline themes: Digital, Data and Intelligence; Capacity Building (for our young people); Working Efficiently; and Income Generation.

The Company's Transformation Strategy in 2023/24:



Many areas have been supported from inception through to completion, including the following examples:

- The regional development of the Northeast Fostering Pathfinder, another national first for the Company, has seen Sunderland be the lead LA for the new regional working approach to fostering recruitment, ensuring a collaborative partnership with the eleven other local authorities in the Northeast to collectively recruit much needed foster carers. Company colleagues are now providing learning to other regional rollouts on our experiences through webinars and talks to various national interest groups.
- The development of the Family Hub and Start to Life Model. This multi-agency approach providing an integrated wrap around service for the whole family is overseen through a multi-agency governance model.
- The Delivering Better Value in SEND programme of work, to identify and implement local and national opportunities to improve the outcomes for children and young people with SEND.
- The set up of the edge of care accommodation hub Claremont House, providing an additional four internal beds accommodating short term respite whilst a multi-agency team supports the young person and family. This project has seen incredible outcomes where family situations have been stabilised on many occasions. The team's integration with our Young Person's Team and Child and Family Workers enabling whole family approach.
- Maple Cottage Children's Home, 2023/24 has seen the successful set up and registration of this new home. This home has provided two beds to our available internal capacity.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

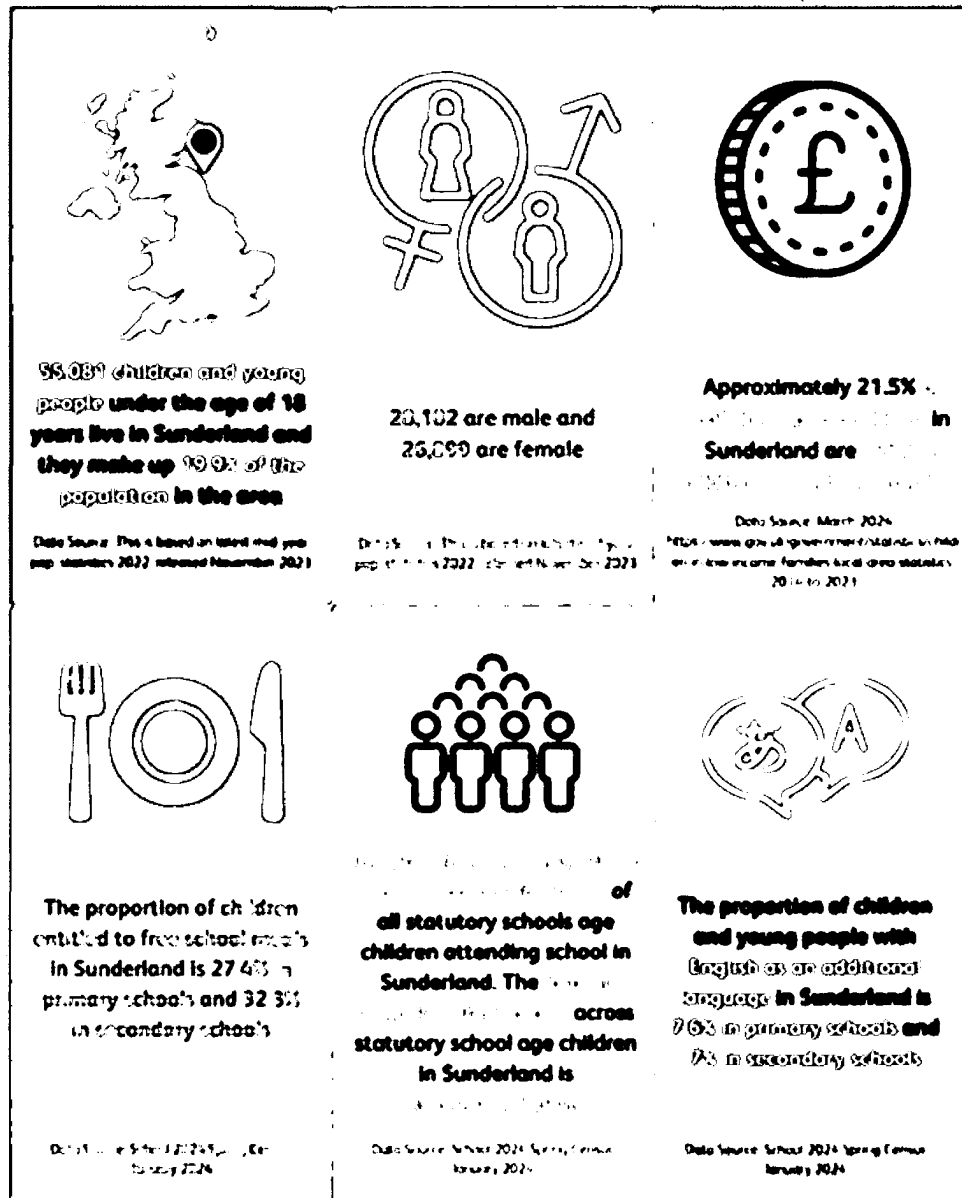
FOR THE YEAR ENDED 31 MARCH 2024

Our Demography

The following infographics capture the demography served by the Company. The data is, wherever possible, a snapshot as of 31 March 2024.

Our City: The Demography of our Care

General

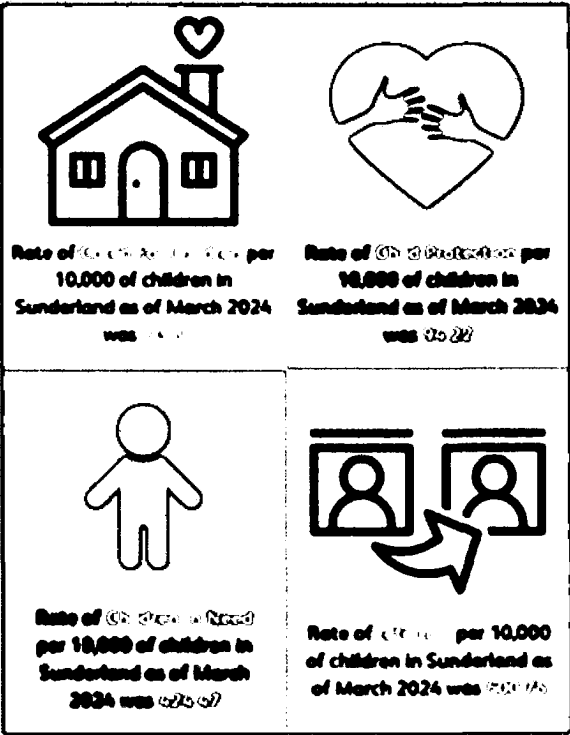


TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

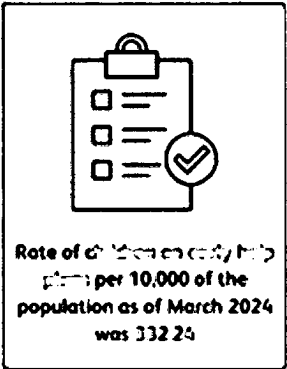
FOR THE YEAR ENDED 31 MARCH 2024

Cared For Children and
Children in Need



Data Source: Provisional TFC Social Care data as at 31 March 2024

Early Help



Data Source: Provisional TFC Social Care data as at 31 March 2024

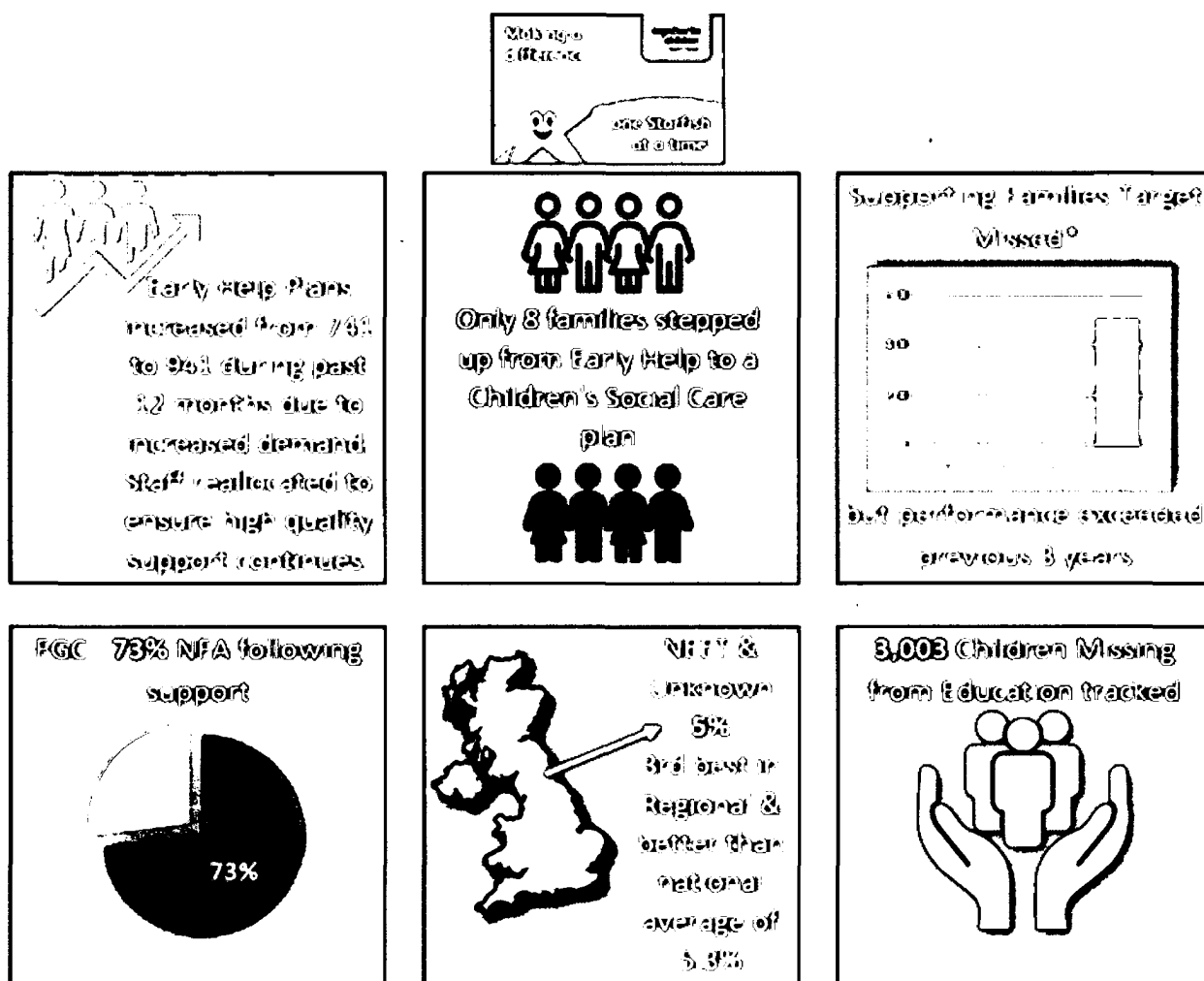
TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Our Achievements this year

Early Help



* 504 Supporting Families claims made from target of 690 (73%). There has been national acknowledgement that targets were set too high as the national claim averaged was between 70% & 75%. Overall claims were higher than the 425 average over the previous 3 years.

Family Hubs

Five multi-agency Early Help Area Teams working out of Family Centres (which became Family Hubs) and community buildings: 1) Washington (Rainbow Family Hub), 2) Coalfield (Hetton Family Hub), 3) Sunderland North (Bunny Hill Family Hub), 4) Sunderland South 1 and 5) Sunderland South 2 (both working out of the Thorney Close Family Hub).

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Children's Social Care

During 2023/24 staffing levels have remained stable, with very low levels of agency workers employed across Social Care. The Company has continued to invest in recruiting and developing the workforce.

Our student programme has expanded in the last year and we have offered Social Work placements for first, second and third year students. The number of senior Social Workers completing the Practice Education Award continues to be high and those who have completed this continue to maintain their status. The Service continues to have a well-established programme of support for Newly Qualified Social Workers and all of those who qualified in 2023 have moved into permanent posts across the service.

We continue to commit to the development and progression opportunities for more experienced workers, 15 Social Workers attended the Post Qualifying Safeguarding Award through Sunderland University during their second year in employment. The Company continues to be an early adopter of the Early Career Framework. This has led to strengthening of our Year 2 offer with the funding to create a new post dedicated to Year 2 Social Workers.

During 2023/24 we have had inspection visits from Ofsted:

- The Focussed Visit which took place in October 2023 highlighted that 'typically children receive timely and effective support - by highly skilled and committed workers.- Senior leaders know their service well - and staff feel supported.' Ofsted were clear in their view that whilst further work is needed on developing practice around neglect and increasing the consistency in the quality of supervision, progress had continued and practice had not stood still since the 'Outstanding' judgement was given following the full ILACs in 2021.
- Inspections have taken place, of 6 children's homes inspected 5 were rated good or outstanding. Columbo Road Children's home was rated Outstanding for the 6th consecutive year. Two new children's homes were opened during 2023/24 and work is ongoing to open a further 2 children's homes and 1 short breaks home for Children with Disabilities over the next 12 months.
- The Company was the first to register its Supported Accommodation with Ofsted and piloted the new Ofsted framework, all were given the highest recommendation.

The Company has led on the development of the new regional working approach to fostering recruitment; North East Fostering Pathfinder - The Company has have been the lead authority for the project, ensuring a collaborative partnership with the 11 other local authorities in the North East to collectively recruit much needed foster carers. The project team is providing learning to other regional rollouts on our experiences through webinars and talks to various national interest groups.

Together for Children has been one of 8 areas in the country involved in the DfE funded 'Family Network Support Project'. To date the project has supported 28 families providing funding of over £28,700, which was given to the family network to increase their support to parents, increase safety for children and reduce risks within the household. This was funded entirely by the DfE and has provided much needed support to families across Sunderland.

Education Services

Empowering children and young people to use their voice and influence

The Strategic Transition Lead has worked with young people attending a Careers and transition event to capture the views of young people with SEND on Transitions and the world of work at an event in January 2024 which was attended by a wide range of stakeholders in Sunderland, including the Parent Carer Forum.

The STARS group were active participants in our Delivering Better Value diagnostic activity. The views of the children and young people around their experiences of school transition processes have been incorporated into our successful bid for £1,000 000 which will be used to fund an SEND Transformation Programme across the local area. As part of this work there is an ongoing commitment to include the STARS group as key stakeholders to shape the direction of the transformation programme.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Supporting our workforce and making best use of resources

The statutory SEND revised their way of working from September 2023 in order to make best use of the staffing resource amid a background of significantly rising demand for statutory assessment and a sharp increase in the number of EHCPs being issued. The team of 8.4 FTE Caseworkers split into assessment and review sub-teams to enable them to focus on an area of work with less competing demands. The impact of this reorganisation can be seen in our substantially improved timeliness measure for new 20 week assessments which currently stands at 83% for the first quarter of 2024. This is approximately 30% above national average. The team was also able to demonstrate a 25% improvement against our February 15th Phased Transfer deadline compared to 2023.

Inspiring creative and innovative SEND practice

The Autism Outreach team have developed a new offer within the innovative Breathing Space short break programme. This intervention is for children with Autism who are at risk of exclusion or suspension from school. The offer has included a variety of trips and visits, including a whole family residential weekend at Derwent Hill. Feedback from families has been overwhelmingly positive as the following quote from a parent following a recent visit to Northumberland Zoo illustrates:

"My child is a different person when he has been to Breathing Space, more chilled and it is nice to see him get along with other children of the same diagnosis and difficulties he has around other people, he enjoys the group. Wish we had found it earlier, been offered the support earlier."

The programme is delivering a real impact in terms of children presenting in a more settled way within their school settlements following involvement with the group activities. The team is planning to expand their offer for the third and final funded year of the programme. The following parent quote illustrates some impact from the intervention:

"He looks forward to attending. Seems to be coping/managing stress and larger groups much better."

Leading and influencing future policy and direction

The Statutory SEND Team is working with DfE as members of an advisory steering group which is focused on the digitalisation of EHCPs as part of the work being undertaken in line with the SEND and AP Improvement plan. The SEND Team Manager has shared the practice we have currently developed in terms of developing our statutory processes through the Capita One system and we are nationally recognised as leaders for our work in this area. As digitalisation forms a key workstream in our Delivering Better Value Transformation work starting this April, we will continue to push ahead with this important work and share our experience nationally within the DfE Advisory Group.

Inspiring creative and innovative alternative provision practice

To continue to support the needs of CYP across the city by providing an innovative range of alternative options where mainstream education is not possible including:

- The development of an exclusive commissioning agreement and growth of Consilium Evolve, a SEMH provision for anxiety presentation, which has received national recognition in both the media and press in addition to the recognition by Ofsted at a recent inspection of the life changing impact of the provision for our young people.
- The development of an exclusive commissioning agreement and growth of Hopespring Sunderland, a therapeutic SEMH provision for some of our most vulnerable young people, providing exceptional outcomes in the most challenging of circumstances.
- The development of an early intervention programme provided by the Foundation of Light for Key Stage 1 and 2 children with emerging SEMH needs.
- The continued provision of a high quality Link school providing intervention support and longer term placements for CYP in all Key Stages with SEMH presentation; including innovative solutions to meeting growth in both quantity and complexity of demand.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

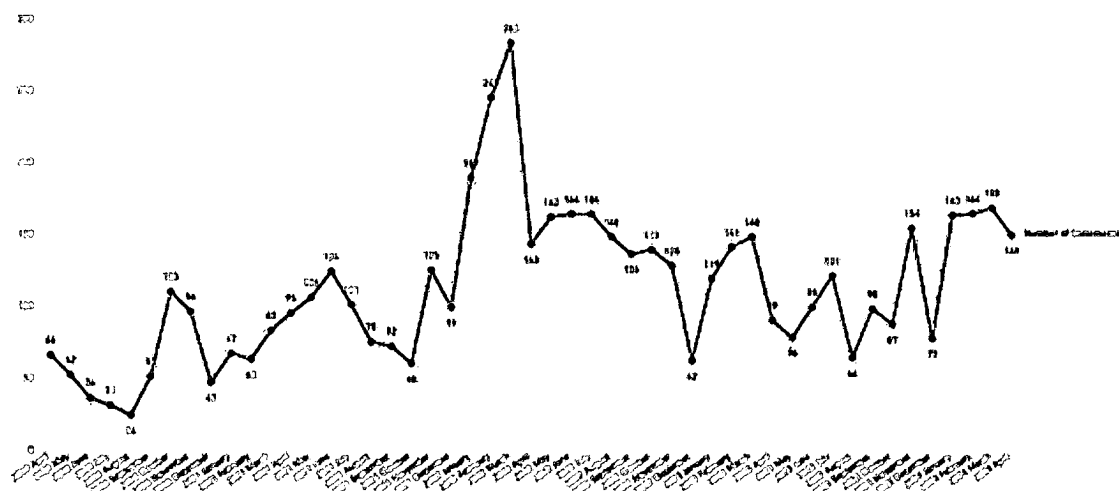
Supporting our education workforce and making best use of resources

- School Improvement and Early Years Service have delivered 243 professional development sessions to 3,052 delegates.
- 352 delegates have received Autism Education Trust professional development.
- 35 delegates successfully complete the NCFE CACHE Level 3 Award for Special Educational Needs Coordinators in Early Years Settings as well as 16 of those also completing the CACHE Coordinating Special Educational Needs Provision qualification.
- School Improvement and Early Years Service is now an accredited NCFE centre.
- 40 schools purchase a service level agreement (SLA) for support with their safeguarding.
- 38 schools purchase a service level agreement (SLA) for their school improvement consultancy.

Hearing the voice of the child

As a Company, we intentionally keep the child at the centre of everything we do.

We have used Mind of My Own, an innovative app-based tool to capture the voice of children who are working with early help and social care. To illustrate its popularity the graph below shows a generally consistent level of usage (accounting for school holiday periods) in the last 4 years:



The comments and feedback from Mind of My Own help individual workers and the whole Company, to know what children would like to be different in terms of services or interventions. There are a range of engagement and participation groups and opportunities and the March 2023/24 Meaningful Measures reports shows 461 children were engaged in a participatory activity, with 72 children involved regularly in the formal groups like the Change Council and Youth Council. The Ofsted Focused Visit tested the degree to which children's voices were heard in formal interventions and noted that:

Families are encouraged to talk about the presenting issues and be part of the solution for change. For some, this is the first time that they have talked openly about their problems and heard their child's point of view (Ofsted, November, 2023).

Over 120 young people attended a SEND Employment Event in January 2024 and told us what their hopes and ambitions are for the future and how we can make the world of work more accessible for them. Following this we are creating internal Supported Internship with wrap around support and targeting key employers that young people would like to work for.

In February 2024, our Young Commissioners produced a short film to evaluate the Breathing Space programme. This involved developing the storyboard, script and interview questions and then working with a videographer to film and edit the production. The final film was shown at a national event in London hosted by the Department for Education. The Breathing Space film made by the Young Commissioners can be viewed using this link - [Breathing Space with Together for Children \(youtube.com\)](https://www.youtube.com/watch?v=...).

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The following infographics are some highlights from the DBV focus group work done with STARS and other school groups as part of DBV.

There are several key principles which underpin the DBV delivery approach:



We aim to provide the right support at the right time and in the best setting for each child and young person with SEND so that they can be well, happy and have the foundations to thrive.



The child or young person remains at the centre of everything we do.



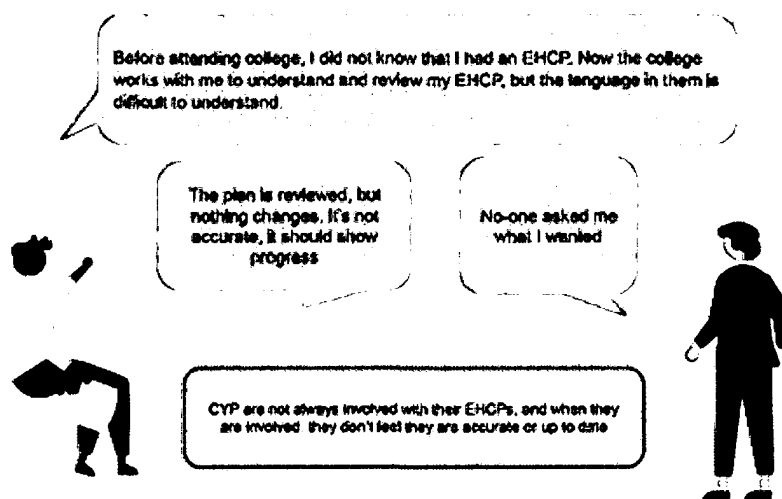
We listen to the challenges from the perspective of those receiving support from the system.



Collaboration is key, with authorities' neighbours, partners and the children and families they support.

The challenges felt by SEND partners are impacting children's experience at school

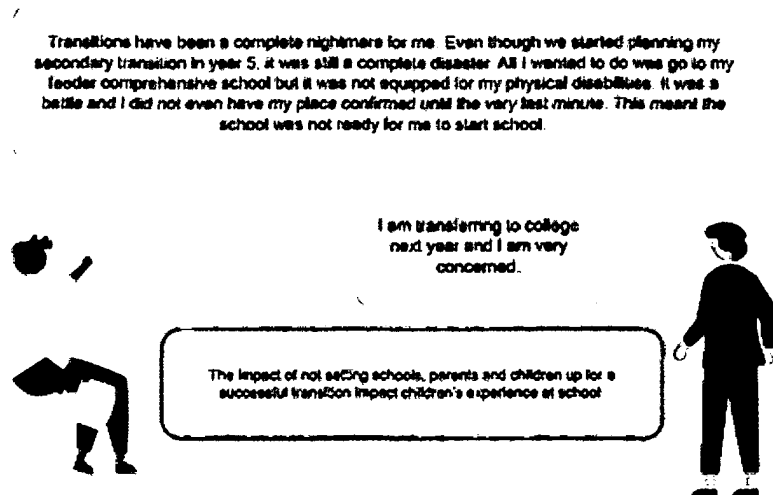
Children and young people were engaged as part of a listening forum to understand their views on the services offered and what barriers they have experienced when accessing them.



Deep Dive 1: Available Information to Assessors
A process review was used to understand how information was gathered, and where issues in that process arise.

The challenges felt by SEND partners are impacting children's experience at school

Children and young people were engaged as part of a listening forum to understand their views on the services offered and what barriers they have experienced when accessing them.



Deep Dive 2: Available Centres
Schools were surveyed and health and social care colleagues attended a workshop to understand the gaps in services in Sunderland.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

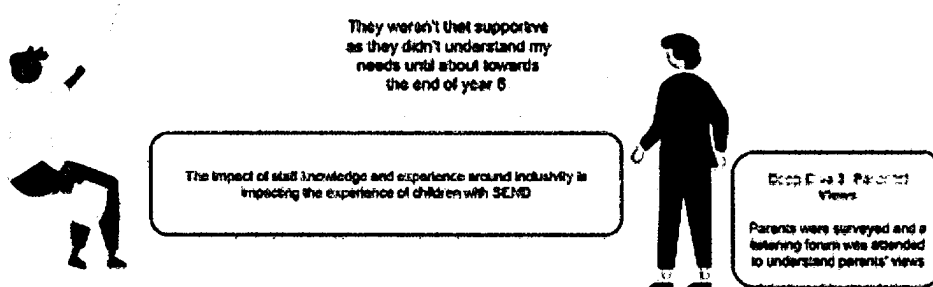
FOR THE YEAR ENDED 31 MARCH 2024

The challenges felt by SEND partners are impacting children's experience at school

Children and young people were engaged as part of a listening forum to understand their views on the services offered and what barriers they have experienced when accessing them



If I can change anything, I'd make sure our future educators have more SEND training for young people with SEND and have education places adapted to purpose the young person so there is no difficulties.



Our People

Equity, Diversity and Inclusion

We believe that excellence will be achieved through recognising the value of every individual. We aim to create an environment that respects the diversity of staff and service users, enabling them to achieve their full potential, contribute fully and derive maximum benefit and enjoyment from their involvement in the Company.

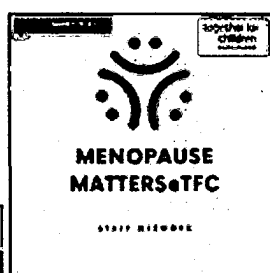
To this end the Company will aim to embed in all its activities the following basic rights for all:

- To receive a professional and appropriate service.
- To be treated with respect and dignity.
- To be treated fairly with regard to all procedures, assessments and choices.
- To receive encouragement to reach their full potential.

These rights carry with them responsibilities not just for the Company, but also all its staff, service users and those who supply services on our behalf. We must all recognise and uphold these rights and act in accordance with them in our dealings with others.

As a company committed to making a difference for children and families in Sunderland, we hold close our duty to further the interests of those who use our services. To do this, we need a workforce made up of people from diverse backgrounds, who can ensure that we make sound decisions which are representative of all perspectives within society. We seek to build a workforce that champions fairness, kindness, and inclusivity, and who can apply these values when working with children and families.

We take steps to ensure we are a great employer that values and celebrates the different ideas, skills, behaviours, and experiences of our colleagues. We also foster a culture that promotes wellbeing and positive mental health and provides support to enable all our colleagues to thrive. As part of this achieving these goals, we convened an overarching Equity, Diversity and Inclusion Network with complementary Accessibility, LGBTQ+, Racial Equality, Armed Forces Covenant and Menopause Matters Networks.



**Equity, Diversity
and Inclusion Network**

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

With the appointment of a fixed term EDI Coordinator, we have been delighted to launch a Fair Treatment Policy in 2024 alongside several in-house Fair Treatment Ambassadors. This illustrates our continued commitment to ensuring that inclusivity and diversity remains a priority area for the Company and that any unfair treatment is called out and managed without exception.

The Company continues to make steps to ensuring that TfC is at the forefront of work towards making TfC Menopause positive. The Company is proud to have signed the Menopause Workplace Pledge and is committed to take positive action to make sure everyone going through the menopause across our workforce is supported. The Company has established a network of Menopause Mentors and Menopause Matters Network.

Our Principal Risks

The Board of the Company owns its risk architecture and risk appetite and has delegated oversight of the Strategic Risk Register to its Audit and Assurance Committee. Material risks are escalated to the Board by the Committee as and when appropriate. All risks are actively managed by the Senior Leadership Team of the Company through a regular review of the Strategic Risk Register.

At the end of March 2024, there were fourteen strategic risks under surveillance all of which are considered as either quantitatively or qualitatively material (summarised in the tables below):

Leadership and Staffing		Values and Culture/Reputation	
LS1	The current stable CSC workforce is undermined by national workforce pressures	VCR2	Future Ofsted ILACS inspection outcome may be less than outstanding
LS2	The cost-of-living crisis forces staff to leave to work closer to home		
LS3	Senior staff leaving TfC and SCC may destabilise progress and momentum.		
LS4	SEND staff are overstretched leading to sickness absence and failure to achieve EHCP deadlines		
Stewardship of Resources		Continuous Improvement	
R1	Living within the Contract sum is challenging in 2023/24 given inflationary pressures and a net £2m savings target.	C11	Maintaining "Outstanding": in the face of rising demand, cost of living crisis and senior management changes
R2	Digital maturity – systems are insufficiently robust to give the strong evidence base to support bids for funds and show efficacy of interventions especially in EH	C12	Locally developed residential care accommodation is occupied on a longer-term basis than the short lengths of stay originally envisaged.
R3	Mitigated	C13	Delivery of Transformation programme with associated savings targets not just cost avoidance
R4	Ability to sustain the Family Hub model beyond 2025/26 in line with Government expectations.	C14	Young people in unregistered/unregulated homes due to a lack of available capacity or unwillingness from the market to care for some young people's needs.
R5	Available residential and supported accommodation capacity fully utilised by UASC		
R6	There is a considerable risk to the security of resources and data caused by cyber-attacks including phishing and denial of service.		

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

As referenced above, all the above noted material risks are actively scrutinised on a regular basis by the Senior Leadership Team and at the Audit and Assurance Committee. An inherent part of the discussion in both fora is the context of the risk locally, regionally and nationally and, as part of mitigating risks, the Company will participate in Regional and National initiatives such as our involvement in a regional response to the National Care Review.

Finally in this regard, the Audit and Assurance Committee actively seeks to align each year's Internal Audit Work Programme with the Risk Register to ensure all material risks are addressed.

Section 172(1) Statement

This statement relates to a directors' duty to promote the success of the Company, as prescribed in Section 172 of the Companies Act 2006. Regarding compliance in the year ended 31 March 2024, the accompanying Annual Report demonstrates clearly the Company's operating context, employee considerations/engagement, partnership ethos and high standards as a corporate parent, business partner and neighbour.

A brief summary under the headings of the Act includes the likely consequence of any decision in the long term:

- Given the Company operates under a Services Contract with its Sole Member, Sunderland City Council, which is for ten years starting from 1 April 2017 all long-term decision making is tightly regulated with certain Reserved Matters being articulated in the Articles of Association.
- In addition, the Company's Articles of Association also stipulates that any decisions with a longevity beyond the Services Contract are a Reserved Matter for the Council as sole member.
- the interests of the company's employees:
 - This Annual Report demonstrates how the Company values and engages with its staff and proactively embraces equity and diversity.
 - The Company has significantly reduced reliance on Agency social work staff and created a strong, engaged and stable workforce at all levels across the Company.
 - As of 31 March 2024, the Company had just one agency social worker representing the Company caring for a young person living in the South of England.
 - The Company's Senior Leadership Team meets regularly with Trade Union colleagues to discuss key matters especially those relating to staff, terms and conditions (which mirror those of the Sunderland City Council per the Services Contract).
 - In 2023/24, the Company launched a major staff development initiative called Thrive asking the question "What will you become@TfC?"
 - In 2023, the Company launched a 3-tiered Leadership and Management Programme (Cultivate for the Aspiring Manager, Empower for the Existing Manager and Elevate for existing Leaders).
 - In 2024, the first TfC Leader was accepted onto the SOLACE 'Springboard' Programme, which is a highly sought after and extremely competitive route into Senior Leadership in the Public sector.
 - The Company continues to embed it's CIPD award winning Coaching Programme alongside other key organisational development initiatives such as Discovery Insights, for which we now have 5 in-house Practitioners.
 - In 2024 we were delighted to secure Gold 'Better Health at Work' Award in recognition of the supportive and innovative wellbeing programme alongside the Silver Armed Forces Covenant in recognition of the targeted work undertaken to support ex armed forces colleagues and relatives of serving armed forces.
 - The Company was delighted to be shortlisted for a number of prestigious workforce awards recognising the innovation and excellence within the TfC workforce in 2023 and 2024.
- the need to foster the company's business relationships with suppliers, customers and others:
 - Again, the accompanying Report shows a keen desire to create and optimise key strategic partnerships in providing high quality services to all service users and unashamedly putting the child first.
 - In a practical sense, the Company's published Payment Terms reports demonstrate a desire to support the Company's supply chain by prompt settlement with 99% paid within 30 days and an average term of just under 4 days (6 months to 31 March 2024).

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- the impact of the company's operations on the community and the environment:
 - The Company is very community engaged with regular liaison events designed, for example, to support and recruit Foster Carers and potential adoptive parents. The Company's Third Sector interface is strong with active support to the Cared for Children Christmas Luxury Hamper appeal by a local charity, Hopespring, as but one example.
 - An ongoing review of the Company estate anticipates reducing the Company's carbon footprint and the installation of further electric charging points demonstrates commitment to lowering tailpipe emissions when travelling.
 - The Company is actively engaged with the Council on a city-wide Low Carbon Framework and is actively canvassing the views of children and young people to support and shape this agenda.
- the desirability of the company maintaining a reputation for high standards of business conduct:
 - The Company strives to be utterly professional in its business conduct and adopts high standards of conduct in all operations.
 - As already alluded to above, payment terms are prompt and not exploitative, and any changes to contract terms and conditions are carefully articulated and discussed rather than being unilaterally introduced.
 - The Company has a Modern Slavery Policy which mirrors that of its sole member and applies to supply chain partners too.
- the need to act fairly as between members of the company:
 - Sunderland City Council is the Sole Member therefore equity and fairness between members is not an issue.
 - The Company recognises staff and unions as key stakeholders in its success and, as explained elsewhere in this report seeks to proactively engage with both these important stakeholders in an equitable manner.

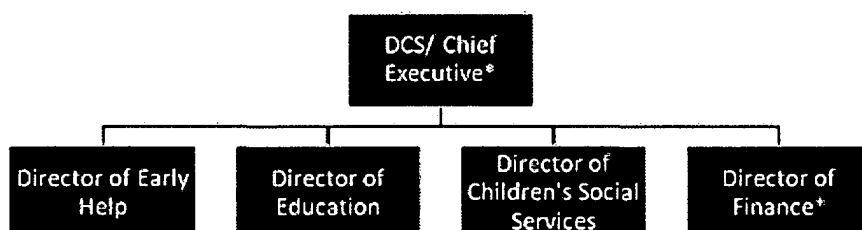
Our Governance Structure:

The Company is overseen by its independent Board of Directors to ensure operational independence, it has an Audit and Assurance Committee.

2023/24 Board and Committee Attendance (Actual/Possible):

Board Member	Board Meetings	Audit and Assurance Committee
Ms C E Auld	8 / 9	
Ms T L Banks	9 / 9	
Ms J P Colbert	9 / 9	
Ms D Exley	9 / 9	4 / 4
Ms C M Hearne	9 / 9	4 / 4
Ms J Laverick	8 / 9	
Mr S P Mason	7 / 9	4 / 4
Mr S G Renwick	8 / 9	4 / 4
Mr S D Williams	8 / 9	

The Senior Leadership Team structure as of 31 March 2024 shown below manages the business on an operational basis, directors meet regularly with their direct reports both individually and collectively as an Extended Senior Leadership Team.



(* = Company Directors registered with Companies House)

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

RESULT FOR THE YEAR

The turnover of the company in the year to 31 March 2024 was £160.7m, of which £158.2m was received from Sunderland City Council in the form of contract income and contributions. The main contract income from Sunderland City Council totalled £95.8m.

The Company spent £149.4m on cost of sales, providing services to children and £12.4m on administration expenses during the period. Pension costs totalled £5.9m and includes £0.7m of costs as a result of the required defined benefit pension scheme disclosures and £5.2m contributions paid during the year in relation to the 981 employees of the Company on 31 March 2024, not all of whom are in a Pension Scheme.

Sunderland City Council has agreed that it will continue to support the Company financially for the twelve-month period from the signing of these accounts, to ensure the Company can continue to operate.

On behalf of the Board



Ms TL Banks
Director

Date: 3/7/24

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The directors present their annual report and financial statements for the year ended 31 March 2024.

The company is limited by guarantee and has no share capital.

Principal activities

The principal activity of the Company continued to be that of delivering Children's Services on behalf of Sunderland City Council.

Results and dividends

No dividends will be distributed for the year ended 31 March 2024.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ms CE Auld	(Resigned 31 March 2024)
Ms TL Banks	(Appointed 1 April 2023)
Ms JP Colbert	
Ms DM Exley	(Resigned 31 March 2024)
Ms CM Hearne	(Resigned 31 March 2024)
Mr P Houghton	(Appointed 1 April 2024)
Ms J Laverick	(Resigned 31 March 2024)
Mr SP Mason	(Resigned 31 March 2024)
Mr SG Renwick	(Resigned 31 March 2024)
Mr SD Williams	(Appointed 1 May 2023 and resigned 31 March 2024)

Employees

The Company values its staff greatly and is an equal opportunities employer. It is the Company's policy to develop and apply procedures and practices which are designed to ensure that equal opportunities are provided to employees, or those who seek employment. All employees are treated fairly and equally. Selection for employment, promotion, training, or other matters affecting their employment is on the basis of aptitude and ability.

It is the Company's policy to give full and fair consideration to the employment needs of disabled persons (and persons who become disabled whilst employed by the Company) and to comply with all current legislation.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Corporate governance

S54 Modern Slavery Act 2015

Together for Children Sunderland Limited (the Company) is committed to understanding and mitigating risks of slavery and human trafficking in its corporate activities and supply chains. This statement makes clear the Company's commitment to tackling modern slavery by setting out its actions to understand all potential modern slavery risks related to its business and the steps it has taken to aim to ensure that there is no slavery or human trafficking in its own business and its supply chains.

This statement is presented in compliance with the above-noted legislation and covers the following key elements:

- the organisation's structure, its business, and its supply chains

The Company is a private, limited by guarantee, company wholly owned by Sunderland City Council. It exists to provide high quality social care and education services and delivers these functions through a mixed economy of contracted and in-house services.

Key supply chain services relate to contracted out care services and the supply of back-office materials and functions. All formal procurement activity is undertaken on behalf of the Company by the Council under a Service Level Agreement.

- its policies in relation to slavery and human trafficking.

The Company adheres to procurement best practice by buying in a Procurement service from the City Council. This gives the Company access to the Council's diligent supply chain checks and balances including vis-à-vis Modern Slavery. The Company has adopted the Council's Modern Slavery Policy which can be accessed as follows:

Modern slavery and trafficking - Sunderland City Council

"This statement covers direct employees of the Council (and its wholly owned companies) and services delivered on behalf of the Council by third party organisations, and in the supply chains."

- its due diligence processes in relation to slavery and human trafficking in its business and supply chains. The parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk.
- its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate.

The biggest risk to the Council, and hence the Company, in not being compliant with the Modern Slavery Act is recognised to be through the procurement of goods and services. The Council's Procurement Strategy (adopted by the Company) was updated to specifically refer to modern slavery and much activity in previous years has been focused on eliminating the procurement risks as much as possible. Procurement staff receive mandatory training and protocols have been subject to regular review.

- the training and capacity building about slavery and human trafficking available to its staff.

The Company will follow the Council which will continue to train and raise awareness with staff and elected members so that they:

- understand that modern slavery is an issue in the UK.
- are aware of some of the high-risk areas.
- can spot the signs of modern slavery.
- be clear about what to do and where to report it if they see something of concern.
- think about how the choices people make about what to buy may impact modern slavery.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Streamlined Energy and Carbon Reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

These regulations cover a reporting requirement for large companies, such as Together for Children Sunderland Limited, to include in its Director's Report a statement on Energy and Carbon utilisation.

The Company is atypical insofar as it owns no assets and leases premises from the Council; data below is from Council sources and covers the grey fleet and some of the main buildings occupied for which separate data can be identified.

Finally, the data capture for this report is maturing and the undernoted has been expanded further, when compared to 2022/23, with the inclusion of additional premises that the Company has occupied during 2023/24.

Category	Unit of Measurement	2022/23 Values	2023/24 Values
Scope 1 emissions	tonnes CO2e	308.59	284.67
Scope 2 emissions	tonnes CO2e	124.54	157.53
Scope 3 emissions	tonnes CO2e	150.61	119.37
Total Greenhouse Gas emissions	tonnes CO2e	583.74	561.58
Greenhouse Gas emissions per employee	tonnes CO2e	0.65	0.58

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

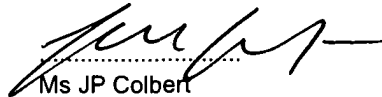
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the Board



Ms TL Banks
Director



Ms JP Colbert
Director

Date: 3/7/24.....

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TOGETHER FOR CHILDREN SUNDERLAND LIMITED

Opinion

We have audited the financial statements of Together For Children Sunderland Limited (the 'company') for the year ended 31 March 2024 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TOGETHER FOR CHILDREN SUNDERLAND LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Audit procedures performed by the engagement team included:

Discussions with UK directors and key management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

Evaluation and testing of the operating effectiveness of managements controls designed to prevent and detect irregularities;

Reviewing relevant meeting minutes;

Reviewing reports and correspondence produced by Ofsted and the Care Quality Commission, with respect to our client;

Identifying and testing journal entries based on risk criteria;

Testing transactions entered into outside of the company's normal course of business.

There are inherent limitations in the audit procedures outlined above and there is no guarantee that our procedures would always detect a material misstatement exists. We also note that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment or collusion.

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

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TOGETHER FOR CHILDREN SUNDERLAND LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

m/moran

Michael T Moran BA FCA (Senior Statutory Auditor)
For and on behalf of Robson Laidler Accountants Limited

Date: *10 July 2024*

Statutory Auditor

Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
England
NE2 1TJ

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Turnover	5	160,701,776	143,811,372
Cost of sales		(149,391,114)	(137,028,078)
Gross profit		11,310,662	6,783,294
Administrative expenses		(12,401,361)	(13,414,985)
Operating loss		(1,090,699)	(6,631,691)
Interest receivable and similar income		596,699	89,691
Interest payable and similar expenses		(199,000)	(1,576,000)
Loss before taxation		(693,000)	(8,118,000)
Tax on loss	10	173,250	2,029,500
Loss for the financial year		(519,750)	(6,088,500)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Loss for the year	(519,750)	(6,088,500)
Other comprehensive income		
Actuarial gain on defined benefit pension schemes	3,978,000	62,326,000
Tax relating to other comprehensive income	(994,500)	(15,581,500)
Other comprehensive income for the year	2,983,500	46,744,500
Total comprehensive income for the year	2,463,750	40,656,000

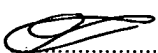
TOGETHER FOR CHILDREN SUNDERLAND LIMITED

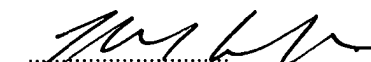
BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	11	19,092,848		10,955,160	
Cash at bank and in hand		2,231,490		2,971,484	
		<u>21,324,338</u>		<u>13,926,644</u>	
Creditors: amounts falling due within one year	12	(20,480,588)		(12,261,644)	
Net current assets			843,750		1,665,000
Provisions for liabilities					
Defined benefit pension liability	14	3,375,000		6,660,000	
		<u>(3,375,000)</u>		<u>(6,660,000)</u>	
Net liabilities			<u>(2,531,250)</u>		<u>(4,995,000)</u>
Capital and reserves					
Profit and loss reserves	15		(2,531,250)		(4,995,000)
Total equity			<u>(2,531,250)</u>		<u>(4,995,000)</u>

The financial statements were approved by the board of directors and authorised for issue on 3/7/24 and are signed on its behalf by:


 Ms TL Banks
 Director


 Ms JP Colbert
 Director

Company Registration No. 10085290

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Profit and loss reserves £
Balance at 1 April 2022	(45,651,000)
Year ended 31 March 2023:	
Loss for the year	(6,088,500)
Other comprehensive income:	
Actuarial gains on defined benefit plans	62,326,000
Tax relating to other comprehensive income	(15,581,500)
Total comprehensive income for the year	40,656,000
Balance at 31 March 2023	(4,995,000)
Year ended 31 March 2024:	
Loss for the year	(519,750)
Other comprehensive income:	
Actuarial gains on defined benefit plans	3,978,000
Tax relating to other comprehensive income	(994,500)
Total comprehensive income for the year	2,463,750
Balance at 31 March 2024	(2,531,250)

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(1,336,693)		282,688
Investing activities					
Interest received		596,699		89,691	
Net cash generated from investing activities			596,699		89,691
Net (decrease)/increase in cash and cash equivalents			(739,994)		372,379
Cash and cash equivalents at beginning of year			2,971,484		2,599,105
Cash and cash equivalents at end of year			2,231,490		2,971,484

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3 Accounting policies

Company information

Together For Children Sunderland Limited is a private company, limited by guarantee, incorporated in England and Wales. The registered office is City Hall, Plater Way, Sunderland, Tyne and Wear, England, SR1 3AA.

3.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

3.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3.3 Turnover

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Turnover consists of income from various grants and contracts and is recognised in accordance with the terms of those grants and contracts. Any unbilled work at the year-end is accrued and recognised as turnover and any income that should rightly be recognised in the following year is deferred at the year end.

3.4 Tangible fixed assets

The Company has been established with Service Level Agreements for all of its asset-based infrastructure requirements such as vehicles, premises, ICT systems and equipment. Accordingly, there is a pre-disposition against holding assets on the Company's Balance Sheet. Where specific needs and/or projects arise where an acquisition has a carrying value for more than one accounting period, the de-minimis capitalisation level applied will be £20,000 and beneath that value, transactions will be treated as revenue and written off fully in the year of acquisition. Should an asset be acquired above the de-minimis limit then the asset will be depreciated on a straight line basis as follows:

- Land not depreciated
- Freehold buildings 50 years
- Long leasehold buildings 50 years
- Fixtures, fittings and equipment 10 years
- Plant, Vehicles and Machinery 5 years
- ICT equipment 5 years

3.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Accounting policies

(Continued)

3.6 Financial instruments

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

3.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3.8 Employee benefits

Pension costs and other post-retirement benefits

The Company operates a defined benefit pension scheme for the benefit of certain employees, as a member of the Tyne & Wear Pension Fund. The assets of the scheme are held separately from those of the Company in an independently administered fund.

FRS102 requires the Company to disclose certain information in relation to the pension scheme, concerning assets, liabilities, income and expenditure related to the scheme. These disclosures have been prepared by AON Hewitt, the actuary for the Tyne & Wear Pension Fund.

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 projected earnings for current employees.

Assets have been valued at bid value in accordance with FRS102.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Accounting policies

(Continued)

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 Comprehensive Income.

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.

Other pension schemes

Certain employees of the Company are members of the following pension schemes:

- Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education.
- The NHS Pension Scheme.

The arrangements for these two schemes mean that liabilities for these benefits cannot ordinarily be identified specifically to Together for Children Sunderland Limited. These schemes are, however, accounted for as if they were defined contribution schemes but, no liability for future payments of benefits is recognised in the Company's Balance Sheet. Employer contributions into these schemes are charged to the Statement of Comprehensive Income.

3.9 Short-term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised immediately in profit and loss.

4 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements. If, in the future, such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and judgements will be modified as appropriate in the year in which the circumstances change.

The key assumptions concerning the future and other key 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 financial year are the disclosures in respect of the defined benefit scheme. The assumptions relating to the pension scheme are disclosed at note 12.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Turnover and other revenue

	2024 £	2023 £
Turnover analysed by class of business		
Contract income	95,827,532	86,543,020
Educational income	62,354,708	55,040,001
Other income	2,519,536	2,228,351
	<u>160,701,776</u>	<u>143,811,372</u>
	2024 £	2023 £
Turnover analysed by geographical market		
United Kingdom	160,701,776	143,811,372
	<u>160,701,776</u>	<u>143,811,372</u>
	2024 £	2023 £
Other revenue		
Interest income	596,699	89,691
	<u>596,699</u>	<u>89,691</u>

6 Exceptional item

	2024 £	2023 £
Expenditure		
Exceptional item - Cost of sales	-	383,228
	<u>-</u>	<u>383,228</u>

Exceptional items are the costs incurred by the company as a result of the COVID pandemic.

7 Auditor's remuneration

	2024 £	2023 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	18,500	15,500
	<u>18,500</u>	<u>15,500</u>

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024 Number	2023 Number
Service delivery	810	752
Administration	153	149
Total	963	901

Their aggregate remuneration comprised:

	2024 £	2023 £
Wages and salaries	33,883,744	30,239,097
Social security costs	3,341,769	3,129,934
Pension costs	5,902,292	13,402,107
	43,127,805	46,771,142

During the year, key management personnel remuneration of £737,773 (2023: £860,656) was paid. Key management personnel encompasses the wider Company management team.

Pension costs

Employees of Together for Children Sunderland Limited 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 Together for Children Sunderland Limited and employees pay contributions into a fund, calculated at a level intended to balance pension liabilities with investment assets.

In 2023/24 the Company paid £4,693,000 into the Tyne & Wear Pension Fund, which provides members with defined benefits relating to pay and services. The Fund Actuary determines the employer's contribution rate based upon triennial actuarial valuations, the last review being 31 March 2022. Under Pension Regulations, overall contribution rates are set to meet 100% of the overall liabilities of the Fund over the defined period.

The above pension costs include £494,000 as a result of adjustments relating to costs associated with the defined benefit scheme.

9 Directors' remuneration

	2024 £	2023 £
Remuneration for qualifying services	320,854	385,145
Pension contributions to defined benefit schemes	40,494	54,840

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 2 (2023 - 3).

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2024 £	2023 £
Remuneration for qualifying services	121,814	118,748

10 Taxation

	2024 £	2023 £
Deferred tax		
Origination and reversal of timing differences	(173,250)	(2,029,500)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2024 £	2023 £
Loss before taxation	(693,000)	(8,118,000)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%)	(173,250)	(2,029,500)
Taxation credit in the financial statements	(173,250)	(2,029,500)

In addition to the amount credited to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2024 £	2023 £
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	994,500	15,581,500

Analysis of the tax charge

No Liability to UK corporation tax arose for the year ended 31 March 2024 nor for the year ended 31 March 2023.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	8,816,102	947,537
Amounts owed by group undertakings	342,110	378,663
Other debtors	37,273	22,711
Prepayments and accrued income	9,040,762	7,941,249
	<u>18,236,247</u>	<u>9,290,160</u>
	2024	2023
	£	£
Amounts falling due after more than one year:		
Other debtors	12,851	-
Deferred tax asset (note 13)	843,750	1,665,000
	<u>856,601</u>	<u>1,665,000</u>
Total debtors	<u>19,092,848</u>	<u>10,955,160</u>

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	2,246,325	672,255
Taxation and social security	2,858,829	1,913,137
Other creditors	337,120	-
Accruals and deferred income	15,038,314	9,676,252
	<u>20,480,588</u>	<u>12,261,644</u>

Included in other creditors is £334,556 for SSCP Funding.

Sunderland Safeguarding Children's Partnership (SSCP)

Sunderland Safeguarding Children's Partnership (SSCP) funding sat with the Council until August 2023, when the budget and staff on establishment were formally transferred to Together for Children Sunderland Limited. As part of that, the Company was sent the unspent reserves.

The funding is earmarked for the sole purpose of supporting the SSCP, more specifically the balance is set aside to fund independent Child Practice Safeguarding Reviews and supporting board/partnership activities.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2024 £	Assets 2023 £
Balances:		
Other timing differences	843,750	1,665,000
	<u> </u>	<u> </u>
		2024
Movements in the year:		£
Asset at 1 April 2023		(1,665,000)
Credit to profit or loss		(173,250)
Charge to other comprehensive income		994,500
		<u> </u>
Asset at 31 March 2024		(843,750)
		<u> </u>

14 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	494,000	6,542,000
	<u> </u>	<u> </u>

Defined benefit schemes

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 Together for Children Sunderland Limited and its employees to pay contributions into the Fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The latest actuarial valuation of Together for Children Sunderland Limited's liabilities took place as at 31 March 2022. 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 FRS102 purposes are shown below.

	2024 %	2023 %
Key assumptions		
Discount rate	4.70	4.60
Expected rate of increase of pensions in payment	2.60	2.60
Expected rate of salary increases	4.10	4.10
CPI inflation	2.60	2.60
Pension accounts revaluation rates	2.60	2.60
	<u> </u>	<u> </u>

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Retirement benefit schemes

(Continued)

Mortality assumptions

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

Retiring today

	2024 Years	2023 Years
- Males	21.0	21.6
- Females	24.2	24.6

Retiring in 20 years

	2024 Years	2023 Years
- Males	22.3	22.9
- Females	25.6	26.1

Amounts recognised in the profit and loss account

	2024 £	2023 £
Current service cost	5,134,000	11,576,000
Net interest on net defined benefit liability/(asset)	199,000	1,576,000
Other costs and income	53,000	-
Total costs	5,386,000	13,152,000

Amounts taken to other comprehensive income

	2024 £	2023 £
Actual return on scheme assets	(6,206,000)	(5,643,000)
Less: calculated interest element	4,755,000	2,520,000
Return on scheme assets excluding interest income	(1,451,000)	(3,123,000)
Actuarial changes related to obligations	(2,527,000)	(59,203,000)
Total costs/(income)	(3,978,000)	(62,326,000)

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2024 £	2023 £
Present value of defined benefit obligations	114,862,000	108,041,000
Fair value of plan assets	(111,487,000)	(101,381,000)
Deficit in scheme	3,375,000	6,660,000

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Retirement benefit schemes

(Continued)

	2024
	£
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 April 2023	108,041,000
Current service cost	5,134,000
Past service cost	53,000
Benefits paid	(2,609,000)
Contributions from scheme members	1,816,000
Actuarial gains and losses	(2,527,000)
Interest cost	4,954,000
At 31 March 2024	<u>114,862,000</u>

	2024
	£
<i>The defined benefit obligations arise from plans funded as follows:</i>	
Wholly unfunded obligations	114,862,000
Wholly or partly funded obligations	-
	<u>114,862,000</u>

	2024
	£
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2023	101,381,000
Interest income	4,755,000
Return on plan assets (excluding amounts included in net interest)	1,451,000
Benefits paid	(2,609,000)
Contributions by the employer	4,693,000
Contributions by scheme members	1,816,000
At 31 March 2024	<u>111,487,000</u>

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Retirement benefit schemes

(Continued)

The actual return on plan assets was £6,206,000 (2023 - £5,643,000).

Expected return on assets

The approximate split of assets for the fund as a whole is shown in the table above. Also shown are the assumed rates of return adopted by the employer for the purposes of FRS102.

In December 2018, the Court of Appeal ruled against the Government in the 'McCloud/Sargeant' judgement, which found that the transitional protection arrangements put in place when the firefighters' and judges' pensions schemes were reformed, were age discriminatory. The Government has announced that it accepts the judgement of the courts, however there is still significant uncertainty over the remedy that will apply. The ruling will have implications for all public sector schemes which were reformed around the same time and could lead to members who were discriminated against being compensated.

In relation to the LGPS, all members of the 2008 scheme were moved into the new 2014 scheme, but members within 10 years of normal retirement were given an underpin promise, that their benefits would be at least as valuable in terms of amount and when they could be drawn, as they would if they had remained in the 2008 scheme.

For the purpose of reporting a contingent liability it would be prudent to assume the remedy would be equivalent to extending the underpin promise to all members.

The Company recognises that a liability may therefore arise as a result of the above proceedings, but at this stage, it is not practical or cost effective to estimate this liability, particularly at employer-level. This is because the calculations required are not straight forward, as they would require re-calculation of the benefits payable in the pre-formed schemes in relation to members who moved to the new scheme, and decisions would need to be made over what remedy should be assumed to apply in the circumstances and what approximations can be made to limit the cost of the exercise.

	2024 £	2023 £
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	56,413,000	51,907,000
Debt instruments	42,699,000	37,004,000
Property	11,595,000	10,645,000
Cash	780,000	1,825,000
	<u>111,487,000</u>	<u>101,381,000</u>

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

	2024 £	2023 £
Equities	50.60%	51.20%
Government Bonds	1.30%	1.30%
Corporate Bonds	19.50%	19.50%
Property	10.40%	10.50%
Cash	0.70%	1.80%
Other	17.50%	15.70%
	<u>100.00%</u>	<u>100.00%</u>

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Profit and loss reserves

	2024 £	2023 £
At the beginning of the year	(4,995,000)	(45,651,000)
Loss for the year	(519,750)	(6,088,500)
Actuarial differences recognised in other comprehensive income	3,978,000	62,326,000
Tax on actuarial differences	(994,500)	(15,581,500)
At the end of the year	<u>(2,531,250)</u>	<u>(4,995,000)</u>

16 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	586,194	581,277
Between two and five years	1,064,222	1,566,831
In over five years	1,391	-
	<u>1,651,807</u>	<u>2,148,108</u>

17 Related party transactions

Included in turnover is £95.828m (2023: £86.543m) in contract income, which includes £15.968m (2023: £11.258m) of grants received from Sunderland City Council, the sole member of the Company, and £55.146m (2023: £47.723m) in contributions also received from Sunderland City Council.

Services contracted from Sunderland City Council include £2.897m (2023: £2.536m) in administrative expenses and £0.873m (2023: £1.220m) in cost of sales.

Partnership Agreement Funding received by Sunderland City Council of £2.120m (2023: £2.551m) was passed to the Company and the Company paid the Council £0.525m (2023: £0.512m) in relation to Partnership Agreement Funding.

At the year end, Together for Children Sunderland Limited owed Sunderland City Council £16.472m (2023: £2.847m) and the Council owed the Company £8.512m (2023: £7.410m).

18 Ultimate controlling party

The ultimate controlling party is Sunderland City Council.

TOGETHER FOR CHILDREN SUNDERLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

19 Going Concern

The Company has recorded net liabilities at the year end, by virtue of having to include the pension deficit in the accounts in accordance with FRS102. The Company's pension deficit of £3.375m is recognised in full in the financial statements. The liability is being addressed on a going concern basis, with the Company having up to 23.5 years to address the pension fund projected deficit. If this liability had not been included in the accounts, the accounts would have recorded a break-even position, which is in line with the Company's expectations.

The use of the going concern basis is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt over the ability of the Company to continue as a going concern. Sunderland City Council has confirmed that it will financially support the Company for a further 12 months from the date the financial statements are signed by the directors and the auditor. The directors have reviewed the Company's forecasts for the next financial year from the date of formally approving the financial statements and consider preparation of the financial statements on a going concern basis to be appropriate.

20 Cash (absorbed by)/generated from operations

	2024 £	2023 £
Loss for the year after tax	(519,750)	(6,088,500)
Adjustments for:		
Taxation credited	(173,250)	(2,029,500)
Finance costs	199,000	1,576,000
Investment income	(596,699)	(89,691)
Pension scheme non-cash movement	494,000	6,542,000
Movements in working capital:		
Increase in debtors	(8,958,938)	(488,963)
Increase in creditors	8,218,944	861,342
Cash (absorbed by)/generated from operations	(1,336,693)	282,688

21 Analysis of changes in net funds

	1 April 2023 £	Cash flows £	31 March 2024 £
Cash at bank and in hand	2,971,484	(739,994)	2,231,490