Achieving for Children

Community Interest Company

Registration Number 08878185

Annual report and statement of accounts 2024/25

1 April 2024 to 31 March 2025

Contents

This Annual Report summarises the performance of Achieving for Children for the period between 1 April 2024 and 31 March 2025 and will be authorised by the Board of Directors in July.

Lucy Kourpas
Chief Operating and Finance Officer

Company information

Registration:

Achieving for Children Community Interest Company

Registered in England and Wales as a Private Limited Company

Registration Number 08878185

Ownership details:

The company is jointly owned by the Royal Borough of Kingston upon Thames, the London Borough of Richmond upon Thames, and the Royal Borough of Windsor and Maidenhead. The company is limited by guarantee.

Registered office:

44 York Street

Twickenham

TW1 3BZ

Independent auditors:

Crowe UK LLP

55 Ludgate Hill

London EC4M 7JW

Solicitors:

South London Legal Partnership

Gifford House, 67c St Helier Avenue

Morden SM4 6HY

Bank details:

National Westminster Bank

22 George Street

Richmond TW9 1JW

Company directors and officers:

See page 26 of the Annual Report

Website: achievingforchildren.org.uk

Joint statement by the chief operating and finance officer and chair of the board of directors

We are pleased to present Achieving for Children's (AfC's) annual report and accounts for 2024/25.

As the company commenced its second decade of operations, there has been a degree of change, but the fundamental focus remains delivering the best outcomes for the children, young people and families of the Royal Borough of Kingston upon Thames, the London Borough of Richmond upon Thames, and The Royal Borough Windsor and Maidenhead. This is only possible with the hard work and dedication of our talented workforce of children's service practitioners and those behind the scenes ensuring the company continues to operate effectively.

2024/25 has been another challenging year financially. Costs have continued to rise, often well in excess of headline inflation rates. The level of need, both in numbers and complexity, continues to grow and the budget envelope remains constrained. Nonetheless we have continued to deliver good quality services to families and this has been reflected in both formal inspection results and feedback from staff and our children, young people and families.

During the year, our children's social care services in Kingston, and Windsor and Maidenhead were inspected by Ofsted. Kingston was judged to be 'outstanding' in all areas and Windsor and Maidenhead was judged to be 'good' with outstanding features. Richmond's children's social care continues to hold a 'good' Ofsted judgement and is due to be inspected again in the near future. Our independent fostering agency (IFA) was also inspected in Windsor and Maidenhead during the year and retains a 'good' judgement. Our other regulated functions across youth offending, health visiting and school nursing, our children's home and special educational needs and disabilities (SEND) functions continue to hold good or equivalent ratings from their respective inspections.

Our staff are key to the delivery of these quality services and they continue to feedback via the staff survey that they enjoy working at AfC and feel supported by their managers, teams and the wider organisation. Staff are appreciative of work that has gone into improving the working environment in Kingston and have clear expectations in their roles and understanding of the company objectives.

There is always work to be done to maintain and improve the services we deliver. This will be particularly important with reforms expected in children's social care and early help services and in special educational needs and disabilities.

During the year, the new government launched their strategy to improve outcomes for children and families in their paper, 'Keeping Children Safe, Helping Families Thrive' and laid the statutory foundation for major reform of the system in the Children's Wellbeing and Schools Bill. At AfC, we have started to work through what these reforms will mean for the delivery of our services, and are using this as a framework to help shape our future transformation programme in social care and early help services.

Further national reforms are anticipated in respect of services and support for young people with special educational needs and disabilities which will inform further updates of the transformation plans in this area. The continuous improvement of this area of work is an important priority for the company and our owning councils to ensure that outcomes are met and the financial costs are controlled.

After a refresh of the strategic plan in the previous year, this year has been focused on driving forward the actions within that plan and shaping where amendments will need to be made to respond to local circumstances or external events over the remaining period of the plan.

We are privileged to provide services to children, young people and families across Kingston, Richmond, and Windsor and Maidenhead and remain committed to celebrating success and continuing to learn and develop over the coming years.

Lucy Kourpas
Chief Operating and Finance Officer

Siân Wicks
Chair of the AfC Board of Directors

Strategic report

1. Progress against our 2024-25 objectives

Achieving for Children's Strategic Plan was reviewed and refreshed in April 2024. This new strategic plan was developed in reflection of community needs. We have made significant progress in improving outcomes for children and young people since we were established in 2014 and refreshing the strategy provided an opportunity to reflect on what we have learnt to date and refocus our energy on what is most important to the children and young people we serve, as well as the changing landscape in which we are working in.

To help develop our strategic priorities we sought feedback from children, young people, parents, carers, professionals, and the three local authorities that own and commission AfC. The plan aligns with the owning councils' corporate plans and children and young people's plans in each borough.

The new strategic plan, which covers the period 2024 to 2029, is structured around four key strategic priorities.

- **Safe and healthy:** Supporting children and young people to live safe and healthy lives.
- **Positive futures:** Supporting children and young people to achieve meaningful outcomes from birth until they transition to adulthood and enable them to live, learn and thrive locally.
- **Stronger families:** Supporting young people and families to develop resilience and independence.
- **Dynamic organisation:** Developing a workforce and organisation that is tailored to the needs of children, young people and families of our boroughs.

These strategic priorities are underpinned by AfC's behavioural values: **Trust, Empower, and Respect**. These values shape how AfC interacts with service users, partners, and colleagues. The strategy is also strengthened by four guiding principles that influence how AfC works and makes decisions: **collaborative, sustainable, value for money, and inclusive**.

Being **collaborative** involves strong partnership working with various agencies and with children, young people, and families. Being **sustainable** includes minimising the environmental footprint of activities. Delivering **value for money** means maximising the impact of resources, being transparent about spending, and seeking income generation opportunities and pooled budgets with partners. Being **inclusive** involves developing a culture where everyone feels valued and included and tailoring support to the unique needs of children, young people, and families. AfC's priority projects and programmes support the four main strategic priorities and are reviewed and refreshed on an annual basis. Progress against the plan is monitored on a quarterly basis through AfC's Board of Directors and senior leadership.

Safe and healthy

This priority ensures that every child in Kingston, Richmond, and Windsor and Maidenhead is supported to live safe and healthy lives, accessing the care they need when they need it. Supporting young people to be safe and healthy is fundamental to Achieving Children's work.

Progress and actions in this area over the last 12 months have included having a universal early help offer delivered through Family Hubs and youth centres, which aims to make accessing vital services easier and improve health and education outcomes.

Targeted support is provided to vulnerable children and young people through multi-disciplinary teams such as the Child and Family Help team in Kingston and Richmond, and the newly formed Families Together team in Windsor and Maidenhead, focusing on supporting families prior to crisis and preventing children from entering care.

To enable better access to mental health and wellbeing support, we have contributed to an independent review of Child and Adolescent Mental Health Services (CAMHS) and improved health assessments for children in care and care leavers.

The priority also encompasses encouraging joined-up thinking and working across education, social care, and health services to provide better coordinated support for children with multiple and complex needs.

Positive futures

The aspiration is for good quality, inclusive provision so young people can live, learn, and access local support, enabling the majority to stay within their home community and close to networks. This priority involves investing in services and working with partners to prepare young people for adulthood and ensuring boroughs offer opportunities for young people to become successful adults.

Over the past year, we have focused on developing local, good quality accommodation and support options for children who cannot live with birth families. Our priorities have included establishing an in-borough children's home in Kingston, and Windsor and Maidenhead, driving forward the recruitment and retention of foster carers, and joining initiatives such as the regional foster care recruitment hub; exploring options for developing in-house supported accommodation and providing more options for our care leavers to promote independent living, such as developing the rent guarantor scheme.

To reduce the need for children to enter care and remain with a family member or connected carer, we have strengthened our approach to family network meetings and family group conferences, as well as increasing placement stability through kinship care.

Over the past 12 months we have worked to transform the experiences of children and young people with SEND and their families, such as developing alternative education provision for those with challenging behaviours, working with schools to support inclusion in mainstream settings, and developing resources for assessment and early intervention in early years settings, schools, and colleges.

Transition planning has remained a key priority within AfC so that young people with SEND are prepared for the next stage of their education or life, and that any support in which they receive has a seamless transition such as adults or housing.

Stronger families

This priority aims to equip families and young people with the tools, skills, knowledge, and confidence needed to navigate challenges and lead independent lives. Services consistently use reflective, collaborative, and strengths-based approaches, working with the whole family to build on what works well.

We have refreshed our practice framework to enable a consistent approach to how we work with families and young people in a strength based way. We believe a clear practice framework helps support staff by creating a shared understanding of how we work and reinforces our commitment to consistent, child-centred practices that prioritise safety, empowerment, and multi-agency collaboration.

We have developed a participation strategy to enable coordinated, meaningful and consistent participation of children, young people and families across AfC and to ensure that all AfC staff have a common understanding of, and approach to, participation and engagement.

The development of our family hubs in Kingston and Richmond has provided single accessible locations for families to access a range of support. It has enabled closer working relations with partners to make services joined-up, improving information sharing between agencies.

Dynamic organisation

We want Achieving for Children to be an adaptable, inspiring and inclusive organisation capable of meeting the changing needs of children, young people and families within their boroughs. This involves creating an efficient and supportive work environment, underpinned by a stable and talented workforce, where teams have the necessary support, technology, and equipment to positively impact young lives. Over the past 12 months we have strengthened our recruitment and retention efforts, including reviewing benefits and workforce development offers, and improving approaches to attraction, selection, and onboarding

We have developed our digital, data and IT strategy to empower and upskill the workforce, improve systems, and support the workforce to be efficient through digital initiatives. Significant progress has been made in digital transformation, including the use of robotic process automation (RPA) and artificial intelligence (AI) to automate administrative tasks and free up frontline staff time. The rollout of a new case management system in Windsor and Maidenhead also commenced, aiming to improve recording, data management, and collaboration.

Achieving for Children places value on recognising the dedication and contributions of its workforce in supporting children, young people, and families. This commitment is reflected in the establishment of staff recognition awards, which proved incredibly popular, receiving over 630 nominations across the whole organisation. To celebrate these achievements, AfC hosted award events in each directorate, which were well-received and attended, providing a valuable opportunity for colleagues to gather in person, acknowledge accomplishments, and celebrate outstanding contributions.

Overall, the last 12 months has marked a period of focused effort on improving services, supporting the workforce, and adapting to the operational landscape in line with the new strategic direction. We have demonstrated significant activity and progress despite financial challenges and are in a strong position to continue the hard work into the next year.

2. Risks and risk management

Our risk management framework helps to ensure we identify and manage those risks that could affect our ability to deliver the company's objectives. The management of risk is embedded in our day-to-day business activities, and well-established processes and policies are in place. All of our employees have a role in reducing risk through our internal control framework. Our principal risks are recorded in our board assurance framework which is regularly reviewed by the leadership team and reported to the board of directors.

The audit and risk committee looks in detail at the risks, mitigations that are in place and the level of assurance available from the executive. Strategic risks are the direct responsibility of the leadership team and concern the overall direction of the company and its sustainability. Operational risks concern day-to-day activities which need to be managed in order for services to be delivered. They are managed and monitored by individual service managers.

Details of the company's financial instrument risks are set out in Note 23 of our accounts. These are not regarded as material to an understanding of the assets, liabilities, financial position and profit or loss of the company. The following table details the high level strategic risks that are not related to financial instruments

Potential risk description	Impact of risk if it materialised	Risk mitigation
Potential risk that we do not keep children, young people and families safe and supported	A child is not safeguarded and experiences harm, failure to deliver statutory duty, reputational damage, needs of children and families escalate	Employment of experienced and qualified staff, appointment of directors of children's services (DCS) with statutory oversight and responsibility, internal audit of processes and policies, external inspections of services, quality assurance processes, clear reporting mechanisms and lessons learned
Potential risk that we do not deliver services that align with our councils' priorities	Children, young people and families do not receive a consistent offer from all borough services, councils lose confidence in the AFC delivery model and do not renew contracts	Senior leaders part of council leadership teams, DCS are seconded from the councils, joint work on key strategies and approval via council committees and joint ownership board, regular contract monitoring meetings, annual review of priorities and budgets
Potential risk that we do not have a skilled workforce that is safe, happy and healthy.	Quality of services falls below required standards, children and young people do not have consistency of key professionals which impacts outcomes, insufficient knowledge and experience to meet statutory duties, services are more expensive as AfC becomes reliant on more expensive agency staff	Workforce strategies to support coordinated approach to recruitment and retention, ongoing recruitment activity, periodic review of AfC staff offer, experienced HR professionals, targeted recruitment campaigns, well established workforce development offer, recruitment checks
Potential risk that services become unaffordable and do not represent value for money	Services are no longer affordable for our commissioning councils and contracts are not renewed, preventative services are reduced to support statutory services, reputational damage	Budget agreed annually with each council including growth, savings and inflation, monthly monitoring and reporting of budgets internally and externally, periodic benchmarking of services, ongoing review of how money is prioritised
Potential risk that we do not comply with corporate statutory responsibilities	AfC is not statutorily compliant leading to fines and reputational damage	Statutory compliance register held by chief operating and finance officer and reviewed quarterly by the audit and risk committee, employment of suitable qualified staff, board assurance framework
Potential risk that we are not known to or trusted to deliver quality services and advice	Children, young people and other key stakeholders lose confidence in our ability to support them and deliver good quality children's services, councils do not renew contracts, we are unable to bid for grant funding, reputational damage, increased complaints	Established quality assurance framework with quarterly reporting on quality of services and associated improvement plans, surveys to assess service user satisfaction, improvement plans where issues identified, oversight of services by experienced leadership teams and professionals, established Communications team

Potential risk that external threats compromise the deliverability of our objectives	Failure to provide safe, effective, responsible and affordable services. The commissioning councils revise their commissioning services due to inconsistent statistical priorities or financial difficulties	An established hybrid working regime with the ability for staff to work from home. Increased focus on cybersecurity with a prioritised programme plan for ICT, business system development and digital improvement. Clear protocol for delivery of children's services detailing critical tasks that need to be delivered against the key elements of the Children's Act. Monthly budget monitoring to regularly look at spend compared to budget. The commissioning board meets monthly to discuss high risk procurement and plan re-procurement

3. Our finances

The company was incorporated on 5 February 2014 and commenced trading on 1 April 2014. The majority of its revenue comes from its contract with the three owning Councils for the provision of children's services. This income totalled £253 million in 2024/25 (£226m in 2023/24) which represents 93% in 2023/24) of total income (on a management accounts rather than financial accounts basis).

Management accounts position

The company has spent £268 million (£254million in 2023/24) in the delivery of services. Needs led and Social Care staffing budgets remain the biggest financial pressure for the company and have been the subject of significant contract price adjustment during the year. The commissioning councils agreed to all requests for contract price change controls during the year. The increased contract funding relates to Social Care staff and placements, SEN Transport, legal costs and high needs education services (funded by the ringfenced Dedicated Schools Grant) as follows.

	General Fund £000	Dedicated Schools Grant Fund £000	Total £000
Richmond Contract	(909)	3,567	**2,658**
Kingston Contract	7,910	3,179	**11,089**
Windsor and Maidenhead Contract	3,353	7,151	**10,504**
Total	**10,354**	**13,897**	**24,251**

The final outturn after change controls was as follows:

	Expenditure	Income	Overspend/ (underspend) after EOY change controls
	£000	£000	£000
Operational Strategic Management	2,691	2,632	**(59)**
Social Care and Early Help	113,200	112,378	**(822)**
Special Educational Needs and Children with Disabilities	119,153	120,367	**1,214**
Education	21,318	20,947	**(371)**
Public Health	1,715	1,716	**1**
Business Services	23,063	23,100	**37**
Total	**281,140**	**281,140**	**-**

Financial statements

For the reporting period the company made a trading profit of £0.490m (2023/24 loss £2.397m) and reported a total comprehensive loss of £0.216m (2023/24 income £4.417m) which is attributable to its parent Councils in accordance with their share of ownership (Kingston 40%, Richmond 40%, Windsor and Maidenhead 20%).

The profit comprises:

	2024/25 £000	2023/24 £000
Trading profit	490	2,397
Other comprehensive income or expense (re-measure of net defined benefit liability)	(706)	(6,814)
Total comprehensive (expense) or income	**(216)**	**(4,417)**

For the reporting period, the main differences between the company's outturn in its management accounts report and its trading loss reported in the statement of comprehensive income are related to pension adjustments under IAS 19. The difference between the loss from continuing operations and the position for total comprehensive income of -£0.216 million is due to re-measurement of the pension liability under IAS 19. A full reconciliation between the management accounts position and the financial accounts position is detailed in Note 9 to the accounts.

The statement of financial position, or balance sheet, includes a net pension liability of £6.691 million (£7.452 million liability at 31 March 2024). The majority of the company's employees are members of the Local Government Pension Scheme (LGPS) which is a defined benefit scheme. When the company started trading on 1 April 2014, the majority of its staff transferred their employment from the councils into the company under TUPE, which included transferring their membership of the LGPS to the company. The company is an employer in the LGPS scheme, within the two pension funds administered by Wandsworth (Richmond) and Kingston councils.

The net pension liability at 31 March 2025 is calculated under the provisions of IAS 19 whereas the employer's pension contributions that the company actually makes to the pension funds are based on an actuarial valuation undertaken under the rules of the LGPS. The company's contributions are re-assessed at each triennial valuation for pension funds in the LGPS. The most recent valuation was carried out as at in 2022 and has resulted in an increase in employer contribution rates from 19% to 19.9% (effective 1st April 2023). The next triennial valuation will be undertaken in 2025/26 with new employer contribution rates effective from 1 April 2026.

The company holds assets (trade and other receivables, cash and cash equivalents, non-current assets) totalling £73.678 million at 31 March 2025 (£67.433 million at 31 March 2024). A significant value of 'Right of Use' assets were written on to the balance sheet in 2019/20 to reflect the accounting requirements of IFRS 16. The majority of assets are leased from the company's three owning councils and relate to buildings and vehicles used in the delivery of contractual services.

Financial support from the company’s owners

The councils were contracted with the company for a minimum period of seven years from 1 April 2014 (Kingston and Richmond) and 1 August 2017 (Windsor and Maidenhead). Kingston and Richmond agreed to use the option to extend the contract period by another five years to the end of March 2026 and have also agreed to contract for a further five years from April 2026 to March 2031. Windsor and Maidenhead agreed to use the option to extend the contract period by another five years to the end of July 2029. The contract prices are agreed annually to take into account changes in service requirements, inflationary and other cost pressures on the company, and the need for cost reductions to be identified so that the company can deliver value for money and contribute to the councils’ overall financial targets.

In addition to the annual review of the contract prices, the company can request additional funding under a ‘change control’ provision in the contract when the company is faced with additional costs, for example from increases in the number of children requiring services.

In terms of its liquidity, the company can borrow from the councils under the revolving credit facility of £45 million. This provides funding to the company to cover cash flow, losses and any investment requirements.

Future financial plans

The company has prepared a medium term financial strategy (MTFS) which forecasts its income and expenditure and financial risks over the next three years. The emphasis of the MTFS is on maintaining financial sustainability given the challenging funding context for children’s and education services nationally. The plan includes details of how the company intends to meet the councils’ cost reduction targets in the medium term, continue to provide value for money and links directly to the company’s business plan.

Going concern

Achieving for Children has been assessed by the directors as a going concern. Despite the accounting losses reported in these accounts, the board and leadership team have made significant progress in identifying how these financial challenges will be met and continue to develop these plans. The board’s medium term financial strategy outlines these financial plans in more detail and addresses what actions are being taken to reduce the company’s cost base to accommodate proposed reductions in the owners’ contract prices over the next three years. As with the parent councils, the company will revise pension contributions in line with the most up to date actuarial assessment and guidance.

The increased cost is fully funded under the contracts with the councils as they represent an unavoidable cost of delivering children's services. The company is wholly owned by three councils who are determined to be going concerns. The company is able to borrow from the councils under a revolving credit facility to support short term cash flow and the councils are contractually committed to procuring children’s services from AfC until 31 March 2031 in Kingston and Richmond, and until August 2029 in Windsor and Maidenhead.

The contracts with the three owning councils represent 94% of revenue, whilst the remaining income is generated through work with schools and other local authorities. Due to the funding nature of local authorities and schools, the risk of permanent default of payment for current and future commitments is low.

4. Section 172 Statement

Statement of the the directors in the performance of their statutory duties in accordance with s172 (1) Companies Act 2006

The Directors of Achieving for Children (AfC) fulfill their duties under Section 172 of the Companies Act 2006 by acting in good faith to promote the success of the Company for the benefit of its members, while also considering key stakeholders, community and environmental impact, high business conduct standards, and fairness among members.

Promoting Company Success:

As a Community Interest Company jointly owned by the London Borough of Richmond upon Thames, the Royal Borough of Kingston upon Thames, and the Royal Borough of Windsor and Maidenhead, AfC's primary objective is to deliver children's services economically without a financial return for its owners. Success is therefore measured by effective service delivery, prudent financial management, and meeting the needs of children and families.

Directors prioritise the need to safeguard and support the wellbeing of children and young people, provide a safe working environment for staff and take all reasonable steps to achieve these priorities in a financially sustainable way. There is regular monitoring of the financial position during the year and directors work closely with representatives from the owning councils to secure funding. The £45m revolving credit facility from AfCs parent Councils supports ongoing liquidity.

Considering Key Stakeholders:

- **Parent Councils (Members):** As sole members, the parent Councils significantly influence policy and funding. Directors ensure services meet contractual obligations and expectations through open communication. Financial support, including the loan facility and annual Treasury Plan approval, is crucial.
- **Employees:** AfC values its employees' well-being and has a comprehensive support package to support, recruit and retain children's services practitioners. Employee wellbeing and benefits packages are regularly reviewed with input directly from employees through the annual staff survey, exit interview feedback and the Employee Relations Team.
- **Children, Young People, and Families:** AfC's core purpose is to provide children's services - including safeguarding young residents and supporting them to lead safe and successful

lives. Directors prioritise the safety and wellbeing of children and young people through overseeing and shaping safe and impactful services and championing the interests of young residents with key partners.

- **Suppliers and Service Providers:** AfC aims to maintain fair and timely payments to partners.

Impact on Community and Environment:

As a Community Interest Company, AfC is inherently committed to social benefit. The provision of essential children's services directly benefits local communities, and Directors implicitly consider responsible operational practices. The AfC Board considers and publishes an Annual Impact Report and has also developed and published an Environment Strategy.

Maintaining High Standards of Business Conduct:

Achieving for Children AfC is a sector-led improvement partner and a children's services consultant. We have worked with many other local authorities to improve their children's services and are committed to promoting the wellbeing of all children and young people. Consistently strong Ofsted ratings further exemplify our dedication to excellence and high standards.

AfC's adherence to UK adopted International Financial Reporting Standards (IFRS), the Companies Act 2006, and annual audit approval showcases a commitment to transparent and high-quality financial reporting.

Fairness Between Members:

The AfC Governance structure supports fairness between members through representation at strategic boards, access to information to support oversight and scrutiny as well as more formal voting rights and matters that are legally reserved to AfCs owning councils.

Overall:

The Directors fulfill their Section 172 duties by focusing on delivering essential children's services within a robust financial framework, ensuring transparency, and engaging with stakeholders to achieve AfC's not-for-profit objectives. Ongoing financial management and strategic planning support suitable investment and liquidity. Further details are shown in the Directors report on pages 18 onwards.

5. Looking forward

We have developed a strategic plan for the period April 2024 to 2029. Our strategic plan sets out how we will deliver excellent services, meet growing and changing local needs, operate our business more efficiently and commercially, and secure our long-term financial sustainability.

The priorities in our new strategic plan are based on a sound understanding of the local needs in each of the three local authority areas. A strong evidence base for the plan was developed using demographic trends, performance data and the needs analyses alongside more qualitative feedback about the effectiveness and impact of our services. Our key priorities include the following.

- **Safe and healthy:** supporting children and young people to live safe and healthy lives
- **Stronger families:** supporting young people and families to develop resilience and independence
- **Positive futures:** supporting children and young people to achieve meaningful outcomes from birth until they transition to adulthood and enable them to live, learn and thrive locally
- **Dynamic organisation:** developing a workforce and organisation that is tailored to the needs of children, young people and families of our boroughs

Our focus over the coming years will be on continuing the delivery of safe and high quality services for children, young people and families. We will ensure our early help and health services remain strong, our children’s social care services effectively safeguard and care for children and young people, and we meet the needs of those with special educational needs and disabilities. We will maintain our reputation as an excellent provider of educational support services, including working with our commissioning Councils to provide sufficient school places.

Signed on behalf of the Board:

Siân Wicks
Chair of the AfC Board of Directors

Directors' report

6. Our governance arrangements

Achieving for Children as a company

Achieving for Children (AfC) is a not for profit, community interest company, originally established in 2014. We are owned and commissioned by the Royal Borough of Kingston upon Thames, London Borough of Richmond upon Thames and the Royal Borough of Windsor and Maidenhead to deliver their children's services.

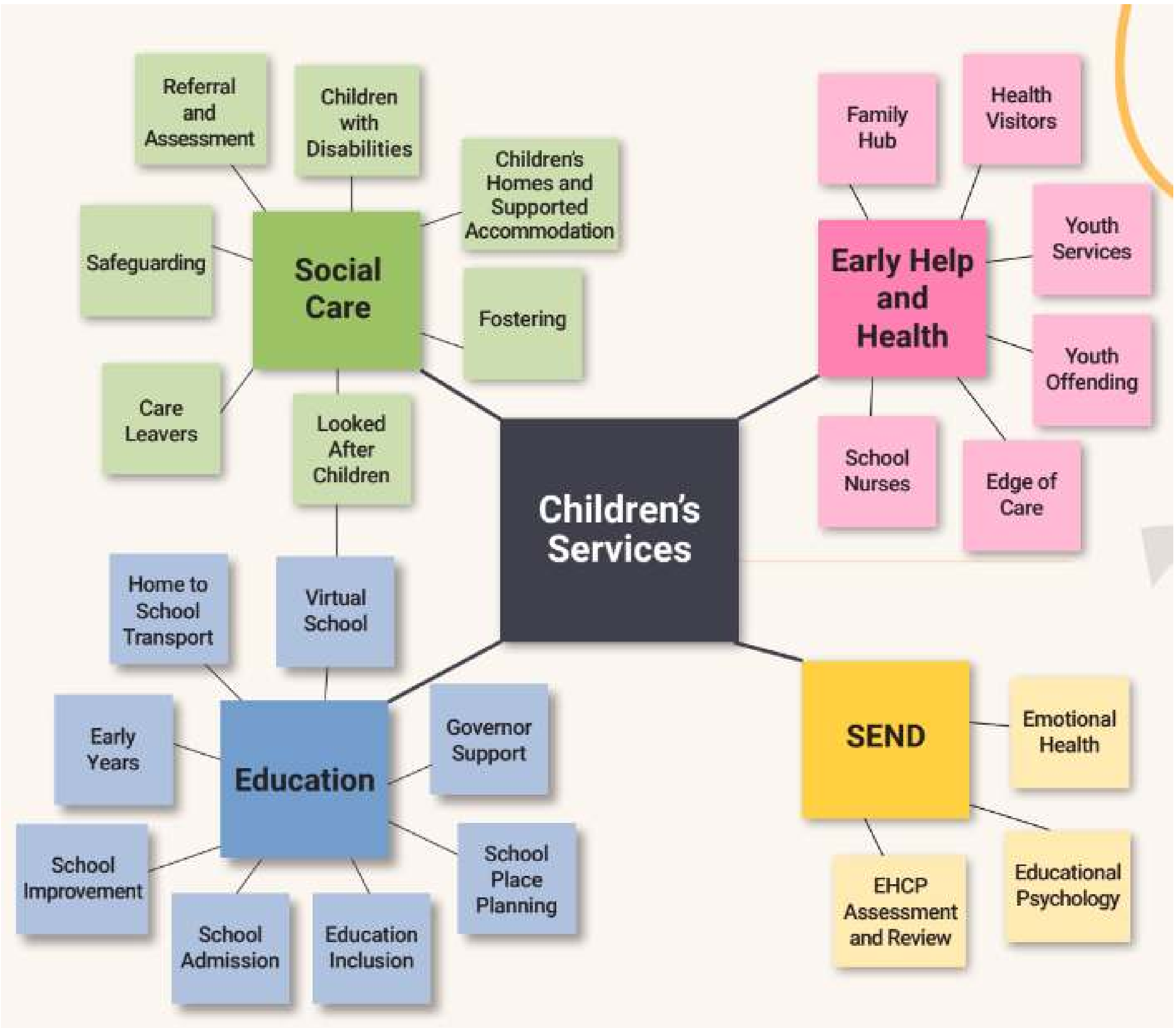
We are an organisation of 1,585 children's services practitioners and are dedicated to putting children and young people at the heart of everything that we do. Our delivery model supports integrated services across education, health and social care to achieve positive outcomes for the families that we work with.

We actively seek the views of children and young people when shaping services and believe that we have a responsibility to make sure that their voices are heard, not only in AfC, but also with partners and across our communities too.

We work closely with local partners including our local authorities, schools, colleges, early years providers, health, adult social care, the police and the voluntary sector to support and champion a joined-up experience for children, young people and families who live and learn in our boroughs.

We support young people from birth up to the age of 25 years. Our service offer is rooted in strong universal and targeted early help provision. We aim to support families and young people at the earliest opportunity to prevent needs escalating and to support independence and resilience.

Services are delivered in person and digitally and we regularly review them to ensure they can be accessed in a way that is convenient and engaging. We host services online and in community-based buildings, including youth centres, family hubs, children's centres, family contact centres and offices across all three of our boroughs. We encourage partner agencies to co-locate services in our buildings, or on our web platforms, to support an integrated experience.



Our workforce

As of the end of March 2025, Achieving for Children has 1,750 employees (equating to 1,259 actual full time equivalent) excluding agency workers. Our employees come from a broad range of professional disciplines including social work, teaching, health services and public sector management. We work hard to ensure that our workforce represents the diversity of the children and young people we work with. We are committed to the recruitment, training, development and promotion of people with disabilities and those with care experience.

The following information covers a snapshot of workforce data as at 31 March 2025. Figures include all permanent, casual and temporary staff but excludes agency workers. Percentages in the sections below show the proportion of employees for which equalities data is known and recorded and therefore, percentages reflect the known numbers. The unknown numbers are excluded when calculating percentages (unknown = no information is held about an employee's protected characteristics and no assumptions have been made. This includes those who prefer not to say).

- 81.2% of our employees are female, a similar percentage to the previous year.
- Ethnicity: 18.64% of our employees are from ethnically diverse communities. (Note: 54.52% of employees chose not to disclose their ethnicity, impacting representativeness of data.) Our workforce has a slightly higher Black, Asian, and Ethnic Minority representation than the general population in Richmond (16.2%) and Windsor and Maidenhead (13.9%), but is less representative than the general population in Kingston (33.1%).
- 4.87% of our employees reported that they had a disability, an increase of 1% from the previous year.
- The largest faith group within our workforce is Christian at 29.5%. Employees with no faith or religion or who did not declare their religion account for 53.6% of the workforce.
- The majority of employees are aged between 35 and 54, which equates to 46% of the organisation.
- 30.2% of our employees are married or in a civil partnership; 23.9% are single; and of the data we hold, 5.53% have a partner.
- Of the data we hold, over 2.0% of our employees are gay, lesbian, bi-sexual or other.

Gender pay gap

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, public sector employers with 250 or more employees are required to publish a snapshot of their workforce data.

The following summarise the latest findings from the published gender pay gap report.

- 81.21% of our workforce are women.
- 82.7% of the top quartile of earners are women (compared to 82.1%).
- AfC's mean pay gap is -3.89% (in favour of women). The mean gender pay gap has moved to favour women slightly more since the previous reporting period, April 2024.

The gender pay gap is not about equal pay for men and women. It is the difference between the average and median pay of men and women. It does not measure equal pay, which relates to what women and men are paid for the same jobs or work of equal value. In Achieving for Children, equal pay is addressed through our job evaluation scheme.

The data required by the government is a fairly simplistic indicator of a complex set of issues. Our ambition is to ensure equality of opportunity for people of all genders.

Communication

To ensure our employees are kept informed, consulted and involved in the development of the company, Achieving for Children uses a wide range of communication channels. This includes:

- our interactive, well kept intranet 'Connect'
- a weekly e-news bulletin to all employees

- regular video blogs by the Directors of Children's Services
- directorate based all staff briefings
- informal drop-in sessions are held by senior leaders across AfC, which allow an opportunity for employees to raise issues and concerns
- wider leadership, in person briefings
- annual leadership summit and regular management meetings

Managers are responsible for feeding back information to employees through regular team meetings and supervision sessions.

The work of the board of directors is shared with employees through meeting summaries which are produced after each board meeting. The non-executive independent directors visit services to meet and speak with employees so that they have a rounded understanding of the services provided to children and their families.

Our partners

We know that excellent children's services cannot be delivered in isolation. We have worked with health services, the police, schools and organisations in the voluntary sector to make sure our services are relevant and responsive to the needs of local children and families. Senior leaders from the company represent the interests of children's services on a number of statutory partnership bodies, including the Health and Wellbeing Boards, Community Safety Partnerships and the Children's Safeguarding Partnerships.

Through the development of our new strategic plan we have worked closely with our owning councils to ensure our plans align with their strategic priorities. This is demonstrated by our involvement in the development of the council's corporate plans and children and young people's plans in each borough.

Our commitment to partnership working is evident in the way in which we engage with children and young people and their families. We know that children and young people and their parents and carers are best supported if they are able to shape and determine the services they receive. For example, during the past 12 months, we were pleased to establish regular meetings between the Achieving for Children Board and our youth council to ensure our board directors can directly hear from children and young people.

Streamlined energy and carbon reporting (SECR)

Under changes introduced by the 2018 regulations, large unquoted companies and large limited liability partnerships (LLPs) are obliged to report their UK energy use and associated greenhouse gas emissions as a minimum relating to gas, electricity and transport fuel, as well as an intensity ratio and information relating to energy efficiency action, through their annual reports.

The data included is based in the GHG Protocol Corporate Standards, described below.

- **Scope 1 (Direct emissions)**: Emissions from activities owned or controlled by your organisation that release emissions into the atmosphere. They are direct emissions. Examples of scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.

- **Scope 2 (Energy indirect):** Emissions released into the atmosphere associated with your consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of your organisation's activities but which occur at sources you do not own or control.
- **Scope 3 (Other indirect):** Emissions that are a consequence of your actions, which occur at sources which you do not own or control and which are not classed as scope 2 emissions. Examples of scope 3 emissions are business travel by means not owned or controlled by your organisation, waste disposal which is not owned or controlled, or purchased materials or fuels.

UK Greenhouse gas emissions and energy use data	**CO2e** **2023/24**	**CO2e** **2024/25**
Scope 1 emissions in metric tonnes CO2e		
There is no data to report under scope 1 (see Note1)	-	-
Scope 2 emissions in metric tonnes CO2e		
Business travel in passenger vehicles - SEND Transport Taxis	911	850
Business travel in employee owned vehicles	364	355
Scope 3 emissions in metric tonnes CO2e		
Electricity consumed within the buildings which AfC occupy is purchased and controlled by our owning Councils. AfC are recharged based on usage. (see note 1)	159	128
Gas consumed within the buildings which AfC occupy is purchased and controlled by our owning Councils. AfC are recharged based on usage. (see note 1)	138	154
SEND Transport Fleet	382	374
Zipcar contract	20	15

UK Greenhouse gas emissions and energy use data	CO2e 2023/24	CO2e 2024/25
Total gross emissions in metric tonnes CO2e	**1,974**	**1,876**
Intensity ratio Tonnes CO2e per employee	**1:1.03**	**1:1:07**

Note 1: AfC provides services across three local authorities, Kingston, Richmond, and Windsor and Maidenhead. All buildings and the utilities are managed by the owning councils (our landlord). AfC has different lease agreements per building and we have been unable to extract the exact data for some of its buildings due to how we are recharged. We have made the assumption of energy used for the whole company based on buildings where we know the electricity and gas used for the year (KWh), and total AfC occupancy within the building. We have taken an average of Kwh per employee and scaled up to provide an estimate for the company as a whole.

Quantification and reporting methodology

We have followed the 2019 HM Government environmental reporting guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK government's conversion factors for company reporting. Government conversion factors for company reporting of greenhouse gas emissions.

Measures taken to improve energy efficiency

Since the launch of AfC's first environment strategy in 2020, we have embedded carbon reduction into our ways of working. This is demonstrated through our regular comms channels with staff and initiatives such as our health and wellbeing programme that incorporates activities such as cycling to work and plastic free picnics. Staff also have access to information on the training portal to learn more about being environmentally conscious as well as a number of resources on Connect, AfC's intranet. Our current strategy is under review and will be published later this year.

AfC is responsible for delivering a transport service for children with special educational needs and disabilities, to and from their education provider. This is a demand led service and there will always be a fluctuation of carbon emissions within this area. Over the next two years, AfC will be undertaking a commissioning exercise to electrify the fleet. This will include updating the infrastructure at the depots such as installing electric charging points.

As a relationship based organisation, delivering statutory services, face to face to support is unavoidable and we recognise that travel will remain an essential part of our business. Travel through means such as cycling or by public transport are encouraged where possible and staff have access to the cycle to work scheme.

Governance

Ownership

The Royal Borough of Kingston upon Thames (40%), London Borough of Richmond upon Thames (40%) and Royal Borough of Windsor and Maidenhead (20%) are the joint owners of Achieving for Children, which is a community interest company limited by guarantee. The responsibilities and decisions they retain as owners are set out in an inter-authority agreement. The councils fulfil their ownership role through a joint ownership board and also through their established committee and cabinet structures. There is also a Joint Committee which meets as a dispute resolution mechanism if required.

The committees are responsible for ensuring that ownership decisions are made in the best interests of Achieving for Children and that there is strategic alignment with the three owning councils.

To ensure the role of company owners in the governance of the company is explicit there is a clear scheme of delegated authority. The reserved matters are structured according to bands as set out below along with the associated decision making arrangements.

Band 1: reserved to the founding members and requires Kingston and Richmond to unanimously agree to pass. These are matters that relate to the company size and form. These decisions are taken by the full council of each relevant owning council.

Band 2: matters that require 75% of the votes of all members (special resolution) to be cast in favour to pass. These are matters that are required in law to be a special resolution and are taken by the chief executive in consultation with the leader of each council.

Band 3: matters require the majority of votes by the members to be cast in favour to pass. These decisions are taken by each council's established committee or cabinet.

More information about Achieving for Children's governance arrangements is available on the following links.

2020 Governance Review

Governance Summary

Operational commissioning decisions and performance review is delegated to a number of specialised officer boards that meet regularly throughout the year with membership including strategic finance leads from each commissioning council and AfC, the AfC chief operating and finance officer, the director of children’s services for each borough, lead commissioners from each borough and other relevant officers.

Financial governance arrangements

The council owners exert a degree of financial control over the company. In particular the owners have to approve:

- the company’s strategic plan, including its budget
- the company’s treasury plan

- any contract for revenue expenditure that has a total value of more than £10 million or any capital investment of more than £10,000

The councils provide funding to the company through a revolving credit facility. This is a short-term loan facility that provides working capital, investment finance and funds any losses for the company. The councils closely monitor the company's financial performance through the operational commissioning group.

In addition to the requirements of the Companies Act 2006, as a community interest company Achieving for Children is governed by the Companies (Audit, Investigations and Community Enterprise) Act 2004 and the Community Interest Company Regulations 2005. The company is established as a not-for-profit organisation and seeks to provide value for money services to the Councils – any surplus that is made is earmarked for investment in children's services.

The company trades primarily with its parent councils and other entities involved in providing children's services within the UK. The company is domiciled in the UK for tax purposes. The company does not make any donations or provide any support to political parties.

Board of directors

The AfC board of directors is the body appointed by the councils to oversee the activity of the company. The councils, as owners of the company, reserve the power to appoint all directors.

The composition of the board when there are no director vacancies was as follows until 28 February 2025:

Board composition
1 x executive directors
6 x council appointed directors (max 2 x per member)
3 x non-executive independent directors
11 TOTAL

Following a review of the board governance arrangements, the number of non-executive independent directors was reduced to one from 1 March 2025. This review also incorporated changing who the council appointed directors were, to ensure they included the council chief executive or their deputy, and the council's director of children's services. An additional executive director was appointed to the board in January 2025 on a temporary basis to ensure the board retained executive director membership during maternity leave.

The governance arrangements for the company are set out in its Articles of Association. Board directors are appointed for the skills and experience that they bring, and have responsibility for overseeing the management of the company and for providing advice to the owners on its future direction and strategy. Each of the non-executive independent directors leads on a particular service area or priority and regularly visits services to meet with employees and service-users in order to maintain an overview of performance.

Directors of the company in 2024/25.

Director	Membership of board		
	From	To	
Executive directors			
Lucy Kourpas	1 January 2020	-	
Rachel Howard	27 January 2025	-	
Council appointed directors			
Kevin McDaniel	20 August 2018	-	
Nikki Craig	20 August 2018	28/02/2025	
Charlotte Rohan	1 August 2019	31/10/2024	
Jeremy Desouza	4 August 2022	28/02/2025	
Anna Sadler	14 June 2021	28/02/2025	
Samantha Morrison	24 November 2021	28/02/2025	
Lilian Brett	9 December 2024	-	
Sarah Ireland	1 March 2025	-	
Ian Dodds	1 March 2025	-	
Ana Popovici	1 March 2025	-	
Lin Ferguson	1 March 2025	-	
Non executive independent directors			
Sian Wicks	11 September 2017	-	
Martin Spencer	14 June 2021	31 October 2024	
Nathan Nagaiah	1 June 2021	31 July 2024	

Board committee meetings and attendance

The board has established an audit and risk committee to liaise with the company's internal and external auditors and advise the board on audit and risk matters. The committee has reviewed risk management and assurance and the company's risk register and has received regular updates on progress of the internal audit plan that provides assurance against any significant control weaknesses.

Meetings of the board and committees were held during 2024/25 as follows.

Board of directors	Audit and risk committee
22 May 2024	16 July 2024
18 July 2024	3 October 2024
14 October 2024	20 January 2025
10 December 2024	17 March 2025
27 January 2025	
24 March 2025	

The following table shows the attendance at meetings in 2024/25:

Director	Attendance at board of directors		Attendance at audit and risk committee		Membership of board (in year)	
	Potential	Actual	Potential	Actual	From	To
Sian Wicks (Chair)	6	6	4	3	1 January 2024	31 March 2025
Martin Spencer	3	1	2	2	1 January 2024	31 October 2024
Nathan Nagaiah	2	2	1	1	1 January 2024	31 July 2024
*Lucy Kourpas	6	2	4	1	1 January 2024	31 March 2025
Jeremy Desouza	5	3	3	0	1 January 2024	28 February 2025
*Anna Sadler	5	2	3	1	1 January 2024	28 February 2025
Kevin McDaniel	6	3	4	2	1 January 2024	31 March 2025
Nikki Craig	5	4	3	2	1 January 2024	28 February 2025
Charlotte Rohan	3	3	2	2	1 January 2024	31 October 2025
Sam Morrison	5	3	3	0	1 January 2024	28 February 2025
Lilian Brett	3	3	2	2	9 December 2024	31 March 2025

Rachel Howard	2	2	1	1	27 January 2025	31 March 2025
Lin Ferguson	1	1	1	0	01/03/2025	31/03/2025
Sarah Ireland	1	1	0	0	01/03/2025	31/03/2025
Ian Dodds	1	1	0	0	01/03/2025	31/03/2025
Ana Popovici	1	0	0	0	01/03/2025	31/03/2025

*Lucy Kourpas and Anna Sadler both took maternity leave during a portion of the year and their lower attendance reflects this period of leave from their substantive roles in AfC and Richmond Council.

Remuneration of directors

There are different arrangements for setting the remuneration of board directors.

- Executive directors employed by AfC have their terms and conditions determined by the Company. The interim executive director was seconded to AfC from one of the owning councils and not directly employed by AfC. AfC determined the pay level and reimbursed the council for the salary costs during the secondment.
- Council appointed directors are employed by the three councils and have substantive roles within their employing council. Their terms of employment are determined by the employing council and relate to their service to the council. Their service on the board of Achieving for Children is not remunerated and no costs are charged to the company for their services.
- Non-executive independent directors (NEID) are part time directors of Achieving for Children and their remuneration is based on a daily rate that includes attendance at board and committee meetings and associated work. Their appointment and terms are determined by the councils.

Non-executive independent directors are appointed by the councils acting as the owners of the company in a general meeting. Their remuneration is based on a daily rate of £495 and covers all meetings and preparation work. An enhanced rate of £550 per day is in place for the chair of the board.

Executive directors receive remuneration as part of their executive role in the company and do not receive an additional allowance for being a board director. The remuneration for directors of the company (where they are paid directly by AfC) is set out below.

			SALARY £	NATIONAL INSURANCE £	PENSION BENEFITS £	OTHER EXPENSES £	TOTAL £
Sian Wicks	NEID	**2024/25**	11,075	983	2,775	-	14,833
		2023/24	12,188	828	1,948	-	14,964
Martin Spencer	NEID	**2024/25**	4,475	312	-	-	4,787
		2023/24	6,452	635	-	-	7,087
Nathan Nagaiah	NEID	**2024/25**	2,822	180	-	-	3,002
		2023/24	5,048	482	-	-	5,530
Lucy Kourpas	Exec Director	**2024/25**	104,286	15,622	24,288	-	144,196
		2023/24	153,066	19,868	30,460	-	203,394
TOTAL		**2024/25**	**122,658**	**17,097**	**27,063**	**-**	**166,818**
		2023/24	176,754	21,813	32,408	-	230,975

Remuneration of Council appointed directors

Council appointed directors serve as part of their duties to their Councils, and they receive no additional remuneration in respect of these appointments. They are not remunerated by Achieving for Children nor does the Company bear any charge for their services as directors. Their remuneration is published in the accounts of their respective councils and is available on their websites:

Royal Borough of Kingston upon Thames

London Borough of Richmond upon Thames

Royal Borough of Windsor and Maidenhead

Remuneration of senior management of the company

The board of directors has delegated the responsibility for the day to day running of Achieving for Children to the company leadership team. These delegations are detailed in a Scheme of Delegation. The organisation's directors are responsible for ensuring the company achieves the ambitions and strategy set by the board of directors, and delivers the best possible services for children and their families in line with our contract with the commissioning councils.

The following table provides details of the 2024/25 extended company leadership team membership. Officers are only members of the board of directors if they appear in the table summarising board membership above.

Company senior leadership team (extended)		Start date	End Date
Lucy Kourpas	Chief Operating Officer and Finance Officer (all contracts)	January 2020	current
Rachel Howard	Interim Chief Operating Officer and Finance Officer (all contracts) (Maternity Cover)	September 2024	June 2025
Ian Dodds	Executive Director of Children's Services (Richmond and Kingston contract)	January 2020	current
Lin Ferguson	Executive Director of Children's Services & Education (Windsor and Maidenhead contract)	June 2022	current
Alison Twynam	Director of Social Care (Richmond and Kingston contract)	April 2014	current
Charis Penfold	Director of Education Services (Richmond and Kingston contract)	April 2014	current
Clive Haines	Deputy Director for Education (Windsor and Maidenhead contract)	January 2020	current
Sarah Moran	Deputy Director Social Care (Windsor and Maidenhead contract)	July 2022	current

The remuneration of each member of the extended company senior leadership team in 2024/25 follows.

			Salary	National Insurance	Pension benefits	Other expenses	Total
			£	£	£	£	£
Ian Dodds		**2024/25**	**168,784**	**22,037**	**41,858**	**-**	**232,679**
		2023/24	164,667	21,469	41,156	-	227,292
Alison Twynam		**2024/25**	**122,472**	**15,646**	**30,373**	**515**	**169,006**
		2023/24	118,071	16,365	41,280	361	176,077
Lin Ferguson		**2024/25**	**139,256**	**17,962**	**23,117**	**368**	**180,703**
		2023/24	135,200	17,402	22,443	80	175,125
Charis Penfold		**2024/25**	**125,528**	**16,068**	**24,980**	**545**	**167,121**
		2023/24	120,851	15,670	24,364	622	161,508
Clive Haines		**2024/25**	**94,266**	**11,754**	**18,759**	**791**	**125,570**
		2023/24	90,745	11,268	18,058	540	120,610
Sarah Moran		**2024/25**	**111,405**	**14,119**	**18,493**	**-**	**144,017**
	Part Year	2023/24	108,160	13,671	17,955	-	139,785
Lucy Kourpas		**2024/25**	**104,286**	**15,622**	**24,288**	**-**	**144,196**
		2023/24	153,066	19,868	30,460	-	203,394
Rachel Howard	Part Year	**2024/25**	**70,832**	**9,147**	**13,529**	**-**	**93,508**
		2023/24	-	-	-	-	-

Review of governance and internal control

The audit and risk committee is responsible for advising the board on the adequacy and effectiveness of the company’s governance, risk management, internal control, treasury management and value for money systems and frameworks.

The governance review arrangements require that the chief operating and finance officer and each director of children services carry out a review of the effectiveness of internal control for their respective areas of responsibility. The arrangements are reviewed by the chief operating and finance officer into an overarching statement of internal control and reported to the audit and risk committee. The audit and risk committee agreed the statement of internal control at its meeting in March 2025 and advised the board that the company had adequate and effective arrangements in place in relation to the company's governance, risk management, internal control, treasury management and value for money systems and frameworks.

Directors' responsibilities

The directors are responsible for preparing the annual report that includes the strategic report and directors' 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. Accordingly, the directors have elected to prepare the financial statements in accordance with international financial reporting standards (IFRSs) as adopted by the United Kingdom. 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 and 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 IFRSs as adopted by the UK have been followed, subject to any material departures disclosed and explained in the group and parent company financial statements respectively
- 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.

Furthermore, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors are responsible for preparing the annual report in accordance with applicable law and regulations. The directors consider that the annual report and financial statements, when taken as a whole, is fair, balanced and understandable.

Each of the directors, who are identified in this report, is responsible for preparing the annual report and financial statements. In particular, each of the directors confirms that to the best of their knowledge:

- the statement of accounts, which have been prepared in accordance with IFRSs, give a true and fair view of the assets, liabilities, financial position and loss of the company
- the strategic report, contained in pages 6 to 16 and the directors' report, contained in pages 17 to 37, together set out a fair review of the development and performance of the business and position of the company and describe the principal risks that it faces
- so far as each director is aware, there is no relevant audit information of which Crowe UK LLP, as the company's auditors, are unaware

- they have taken all steps they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that Crowe UK LLP are aware of that information

Signed on behalf of the Board:

Siân Wicks
Chair of the AfC Board of Directors
Date 21st July 2025

These accounts have been compiled in line with international financial reporting standards (IFRSs) and cover the period from 1 April 2024 to 31 March 2025. The accounts have been audited by Crowe UK LLP. For transparency purposes the following table details the fees payable to Crowe UK LLP for the 2024/25 audit and those paid for the 2023/24 audit.

Description	**2024/25**	**2023/24**
	£000	**£000**
Annual audit fee	88	69
Total estimated fees payable to the auditor for the audit of the Company's annual accounts	**88**	**69**
Certification of Teachers Pension Returns	4	1
Total fees payable to the auditor for other services	**4**	**1**

Crowe UK LLP is constituted as a limited liability partnership in accordance with the Limited Liability Partnership Act 2000.

The financial accounts and disclosures are set out in the Company's Statement of Accounts that follows the Auditor's Report.

Auditor's report

The report by Achieving for Children's independent auditor on the financial statements for the period ending 31 March 2025 is set out on the following page.

Independent Auditor's Report to the Members of Achieving for Children

Opinion

We have audited the financial statements of Achieving for Children Community Interest Company for the year ended 31 March 2025 which comprise Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards;
- 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 liability 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 directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinion on other matter 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.

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 by the company, 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 set out on page 33, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, revenue recognition in relation to other income and judgements relating to the pension liability. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, testing on a sample basis other income and testing the assumptions and information used to generate the pension liability figure.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

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.

Alastair Lyon

Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

21st July 2025

Community interest company

Statement of accounts

1 April 2024 – 31 March 2025

Audited May 2025

http://www.achievingforchildren.org.uk

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THE CORE FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2025

This statement measures the Company's performance for the period and shows the accounting profit or loss in accordance with UK adopted International Financial Reporting Standards (IFRS).

	Note ref	Trading 2024/25 £000	Trading 2023/24 £000
Revenue	7	268,294	242,650
Other income	7	12,415	11,536
Employee benefits	5	(75,545)	(68,860)
Depreciation	10	(3,195)	(3,244)
Other expenses	8	(199,151)	(178,430)
Operating Profit		**2,818**	**3,652**
Finance income	18	31	50
Finance costs	18	(2,359)	(1,305)
Profit before tax		**490**	**2,397**
Tax expense	19	-	-
Profit from continuing operations		**490**	**2,397**
Other comprehensive expenditure:			
Items that will not be reclassified subsequently to profit or loss		-	-
- Re-measurement of net defined benefit liability	5	(706)	(6,814)
Items that will be reclassified subsequently to profit of loss		-	-
Other comprehensive expenditure for the period net of tax		**(706)**	**(6,814)**
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		**(216)**	**(4,417)**
Total Comprehensive Income/(Expense) for the year attributable to parent companies:			
LB Richmond upon Thames (40%)		**(86)**	**(1,767)**
RB Kingston upon Thames (40%)		**(86)**	**(1,767)**
RB Windsor and Maidenhead (20%)		**(44)**	**(883)**
Total		**(216)**	**(4,417)**

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2025

This statement shows the movement or change in value of net equity from the beginning of the reporting period to the 31st March. The Company's equity is currently showing as a negative balance.

The Board and owning Councils have committed to offering the Local Government Pension Scheme (LGPS) to ensure compliance with the offer of equivalent terms and conditions for TUPE staff and it is a key part of the Company's recruitment and retention strategy. The LGPS is a funded defined benefit scheme and as a result AfC often reports a pension deficit on the Statement of Financial Position. This deficit represents the shortfall in assets set aside to pay for pension rights earned to date. This pension will not be paid out until the current members retire and does not represent an immediate cashflow issue. The fund is subject to a triennial valuation and employer contribution rates will be adjusted to ensure that the fund is adequately resourced to pay out retirement benefits due, when they are due. The combination of these two factors means that AfC's Equity is likely to remain in a negative position for the foreseeable future but does not mean that the Company is not a Going Concern. The reasons for a positive Going Concern assessment are detailed in Note 2 to these Accounts.

	Note ref	Pensions Reserve £000	Retained Earnings £000	Total Attributable to Owners £000
Balance at 31 March 2023		**76,622**	**(81,932)**	**(5,310)**
Profit/(Loss) for the year	SCI		2,397	2,397
Other Comprehensive Income				
- Re-measurement of net defined benefit liability	5	(6,814)		(6,814)
Total comprehensive income for the year		(6,814)	2,397	(4,417)
Balance at 31 March 2024		**69,808**	**(79,535)**	**(9,727)**
Profit/(Loss) for the year	SCI		490	490
Other Comprehensive Income				
- Re-measurement of net defined benefit liability	5	(706)		(706)
Total comprehensive income for the year		(706)	490	(216)
Balance at 31 March 2025		**69,102**	**(79,045)**	**(9,943)**

The annual balance will be carried forward within the Company's Statement of Financial Position

There were no non-controlling entities in 2023/24 and 2024/25.

Pensions Reserve – This reserve represents the cumulative amount that has been recognised via Other Comprehensive Income in relation to re-measurement of the net defined benefit due to changes in actuarial assumptions. Examples include changes in demographic assumptions, changes in financial assumptions, changes in the asset ceiling and return on assets that are not included in net interest. Note 5 explains the balance in greater detail.

Retained Earnings – This represents the net cumulative carrying amount of the Profit / (Loss) from continuing operations.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

The Statement of Financial Position or Balance Sheet shows the net position of the Company as at the 31st March in accordance with IFRS. It shows what the Company owes and owns and the equity within the Company that is attributable to Achieving for Children's (AfC) parent Councils.

Company Registration Number 08878185	Note ref	31 March 2025 £000	31 March 2024 £000
ASSETS			
Property, Plant and Equipment	10	4,153	5,493
Non Current Assets		**4,153**	**5,493**
Trade and Other Receivables	13	63,825	53,640
Cash and Cash Equivalents	14	5,700	8,300
Current Assets		**69,525**	**61,940**
TOTAL ASSETS		**73,678**	**67,433**
EQUITY AND LIABILITIES			
Equity		**(9,943)**	**(9,727)**
Long Term Lease Liabilities	11 a	1,070	2,333
Pension and other employee obligations	5	6,691	7,452
Non-current liabilities		**7,761**	**9,785**
Short Term Lease Liabilities	11 b	2,692	2,736
Borrowings	17	40,700	43,600
Trade and other payables	15	32,468	21,039
Current liabilities		**75,860**	**67,375**
Total Liabilities		**83,621**	**77,160**
TOTAL EQUITY AND LIABILITIES		**73,678**	**67,433**

The financial statements were approved and authorised for issue by the board on 21st July 2025 and signed on their behalf by:

Siân Wicks, Chair of the AfC Board

STATEMENT OF CASHFLOWS FOR THE PERIOD ENDING 31 MARCH 2025

The Statement of Cashflows shows the changes in cash and cash equivalents of the Company during the reporting period and how cash movements relate to the profit and loss for the period.

	Note Ref.	2024/25 £000	2023/24 £000
Operating Activities			
Profit/(Loss) before tax	CIS	490	2,397
Non cash flow adjustments	20	11,655	11,673
Contributions to defined benefit plans	5	(9,927)	(9,467)
Net changes in working capital	20	1,244	(10,773)
Net cash from operating activities		**3,462**	**(6,170)**
Investing Activities			
Net cash used in investing activities	10	(175)	(554)
Financing Activities			
Lease principal		(2,987)	(3,623)
Proceeds from borrowings		36,700	31,000
Repayment of borrowings		(39,600)	(20,800)
Net cash from / used in financing activities		**(5,887)**	**6,577**
Net movement in cash and cash equivalents		**(2,600)**	**(147)**
Cash and cash equivalents at the beginning of the year	14	8,300	8,447
Cash and cash equivalents at the end of the year		**5,700**	**8,300**

AfC borrows money from its parent Councils via a revolving credit facility for ongoing operations. The amount owed to the Councils under this arrangement is detailed in Note 17 to the accounts.

Notes to the core financial statements

NOTE 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

Achieving for Children (AfC) was registered as a Community Interest Company on 5th February 2014. The Company is jointly owned by the LB Richmond upon Thames (40%), RB Kingston upon Thames (40%) and RB Windsor and Maidenhead (20%). The Company began trading on 1st April 2014. This statement of accounts reports on the eleventh year of trading and covers the period from 1st April 2024 to 31st March 2025.

AfC was established to provide children's social care and education services to children, families and young people across the boroughs of Richmond and Kingston as well as other areas. In August 2017 Windsor and Maidenhead joined the Company and services now extend to this third borough. The main contracts during the accounting period to which this statement relates are with the London Borough of Richmond upon Thames, Royal Borough of Kingston upon Thames and Royal Borough of Windsor and Maidenhead. The Company also supports other local authorities and public sector partners through the provision of services and advice. This has included continuing work as a Department for Education 'Sector-led improvement partner' during 2024/25.

This Statement of Accounts has been prepared in accordance with UK adopted International Financial Reporting Standards as required by the Companies Act 2006. The Accounts summarise the Company's financial performance (Statement of Comprehensive Income), equity (Statement of Equity), financial position (Statement of Financial Position) and cash flow (Statement of Cashflows) for the period. The financial statements have been prepared under the historical cost convention. Pension assets and liabilities are measured in line with the requirements of IAS19, further details are included in Note 5.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The Company has followed a detailed set of IFRS compliant accounting policies in the production of these accounts. The full policies are contained in Note 28 to these Accounts. The Accounting policies are reviewed annually to ensure they remain appropriate and relevant. The most significant policies to note are:

- **Recognition of Income and Expenditure**
  Activity is accounted for in the period that it takes place, not simply when cash payments are made or received. In particular:

  Income – Revenue from the sale of goods and services is recognised when (or as) the Company transfers control of goods or services to a customer at the amount to which the Company expects to be entitled, and all obligations have been fulfilled in relation to the revenue and/or contract. Depending on whether certain criteria are met, revenue is recognised either over time, in a manner that best reflects the company's performance, or at a point in time, when control of the goods or services is transferred to the customer.

  Expenditure - Supplies are recorded as expenditure when they are consumed. Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.

The de-minimis limit for adjusting the accounts for income and expenditure not physically received or paid (accruals) but relating to the reporting year is £5,000.

- **Post-Employment Benefits**
  The following pension schemes are available to employees of AfC:

  - Teachers' Pension Scheme is available to teachers
  - National Health Service Pension Scheme is available to staff carrying out health functions
  - Local Government Pensions Scheme (LB Wandsworth (formerly Richmond) and RB Kingston schemes) are available to all staff

  These are all Defined Benefit Schemes, but the first two are accounted for as Defined Contribution Schemes due to their nature. For Defined Contributions Schemes, the payments are accounted for on an accruals basis with no adjustment under IAS 19. Further details are provided on page 83.

  The LGPS is accounted for as required by IAS 19 to show the cost of benefits earned in the period of account against the relevant service. This uses figures provided by the Actuary in assessing the current value of benefits earned during the period, the impact of decisions or changes made during the period, interest and re-measurement costs. Further details are provided in Note 5.

- **Recognition of Lease Assets**
  A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. If there is a right to direct 'how and for what purpose' the asset is used throughout the period of use then a 'right of use' asset and lease liability is recognised on the Statement of financial position. Leases are not recognised where they are for less than 12 months and where they have a total market value at inception of less than £5,000 (de-minimis).

  The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

  The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. The liability is reduced for payments made each year.

The following Critical Judgements and assumptions have been made in applying Accounting Policies:

- Agency relationship – It has been assessed that the passporting of some transactions in the Dedicated Schools Grant on behalf of the parent Councils to various education establishments is an agency relationship and has therefore been excluded from AfC's Accounts. Further details are available in Note 6.

- Going Concern – Achieving for Children CIC has been assessed by the Directors as a Going Concern. Despite the negative equity position reported in these Accounts the Board and Leadership Team have made significant progress in identifying how these financial challenges will be met and continue to develop these plans. The Board's Medium Term Financial Strategy outlines these financial plans in more detail and addresses what actions are being taken to reduce the Company's cost base to accommodate proposed reductions in the three main contract prices over the next three years. As with the parent Councils, the Company will revise pension contributions in line with the most up to date actuarial assessment and guidance. An assessment was carried out as at 31st March 2022 and an increased employer contribution rate (19% to 19.9%) was applied from 1st April 2023. The fund is reviewed every three years to determine an appropriate employer contribution rate to ensure that funding is available to meet pension obligations as they become due. The Company is wholly owned by three Councils who are determined to be Going Concerns. The Company is able to borrow from the Councils under a contractual Revolving Credit Facility to ensure short term cash flow and the Councils are contractually committed to procuring children's services from AfC until March 2026 (Richmond and Kingston) and August 2029 (Windsor and Maidenhead).

- Deferred Tax Asset – The Company has assessed that the deferred tax asset should be disclosed as a contingent asset rather than as an asset within the Statement of Financial Position. It is not probable that the Company will make significant taxable profits in the short to medium term. If the Company does make taxable profits in the coming years it will be able to reduce its initial tax liability by offsetting taxable losses incurred.

- Leases – In assessing the substance of lease arrangements the organisation has determined that the leases with the councils for the rental of buildings amount to a 'right of use' because the company is able to substantially direct 'how and for what use' the buildings are used.

The Statement of Accounts contains estimated figures that are based on assumptions made by the Company about the future or that are otherwise uncertain. Estimates are made taking into account historic experience, current trends and other relevant factors. The items in the accounts that have a more significant associated estimation risk are:

- Actuarial valuation of pension liabilities and assets – Pension assets and liabilities and associated costs have been presented based upon an actuarial estimate that has been calculated in line with methodologies prescribed in IAS19. An Asset Ceiling has been applied for 2024/25, as it was in 2023/24 in line with accounting guidance IFRIC 14 and IAS19. The actuary makes assumptions based on indicators of future trends. Full details and a sensitivity analysis is provided in note 5 to the accounts.

- Valuation of 'right of use assets' and lease liabilities – The value of these assets has been estimated based on the present value of the lease payments unpaid at the Balance Sheet date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

NOTE 3 MATERIAL AND EXCEPTIONAL ITEMS OF INCOME AND EXPENSE

Exceptional Items:
There were no exceptional items to note within 2024/25 or 2023/24.

Material Items:
A material item is an item of expenditure or income that is unusual in scale. The following material items are reported as part of the accounts:

The contract prices for the Councils changed throughout the reporting year. Under the contracts, AfC can bid for more contract income if it is needed to ensure that service standards are maintained or if there are significant fluctuations in demand for services (e.g. more children requiring care). The Company was granted additional income as follows:

	General Fund £000	Dedicated Schools Grant Fund £000	Total £000
Richmond Contract	9,392	673	**10,065**
Kingston Contract	8,318	940	**9,258**
Windsor and Maidenhead Contract	3,505	1,381	**4,886**
Total	**21,215**	**2,994**	**24,209**

This additional income is included in the Statement of Comprehensive Income under Revenue.

NOTE 4 NEW OR REVISED STANDARDS

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the International Accounting Standards Board. None of these Standards or amendments to existing Standards have been adopted early by the Company.

- IFRS 17 Insurance Contracts (Amendments)
- Disclosure of Accounting Policies (Amendments to IAS 1)
- Definition of Accounting Estimates (Amendments to IAS 8)
- IFRS 16 Leases (Amendments)

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. The impact of implementing these standards has not been assessed.

NOTE 5 EMPLOYEE BENEFITS

Expenses recognised within Statement of Comprehensive Income as employee benefits are analysed below:

	Trading 2024/25 £000	Trading 2023/24 £000
Salaries	(58,781)	(54,400)
Employee absence liability	(931)	480
National Insurance	(6,217)	(5,696)
Pension Fund Contributions - LGPS	(8,626)	(8,507)
Pension Fund Contributions - Other schemes	(856)	(708)
Other (redundancy, compensation etc.)	(134)	(28)
	(75,545)	**(68,860)**

Salaries

The table below shows the average number of full time equivalent employees and the average count of employees paid during 2024/25. The figures exclude casual and agency workers. The level of salary spend has increased due to the staff pay award, contractual increments and other factors.

Service Area	Average FTE		Average Employee Count	
	2024/25	**2023/24**	**2024/25**	**2023/24**
Business Services	207.00	186.03	228.00	209.58
Education	112.00	98.40	129.00	118.17
Strategic Management	2.00	3.25	2.00	5.00
Public Health	32.00	32.29	40.00	40.83
Social Care and Early Help	613.00	603.69	759.00	740.50
Special Educational Needs and Children with Disabilities	293.00	284.85	427.00	412.75
Total	**1259.00**	**1208.51**	**1585.00**	**1526.83**

Defined Benefit Pension Plans (LGPS)

As part of the terms and conditions of employment of its officers, the Company makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, AfC has a commitment to make the payments (for those benefits) and to recognise the expense at the time that employees earn their future entitlement.

Staff can be members of either the LB Wandsworth (Richmond) or RB Kingston upon Thames funds. Staff that transferred into the Company in the first period remain on their original plan and new employees, including staff working on the RB Windsor and Maidenhead contract, are admitted to the plans on an alternate basis to ensure that membership numbers between the two funds remain relatively equal.

The Company participates in the following post-employment arrangements:

- The Local Government Pension Scheme, administered by the LB Wandsworth and the Local Government Pension Scheme, administered by the RB Kingston – this is a funded defined benefit salary scheme, meaning that the Company and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets. The Company is responsible for any deficit on its share of the Fund.

- Arrangements for the award of discretionary post-retirement benefits upon early retirement – this is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due.

The principal risks to the Company are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These risks are managed by the Fund over the long term, via the independent actuarial valuation process setting appropriate contribution rates.

Transactions Relating to Post-employment Benefits

The Company recognises the cost of retirement benefits in the Statement of Comprehensive Income when they are earned by employees, rather than when the benefits are eventually paid as pensions.

The following table shows the impact of LGPS post-employment benefits on Statement of Comprehensive Income:

	2024/25 £000	**2023/24 £000**
Current service costs	(8,125)	(8,490)
Past service costs	(16)	-
Effect of settlements	-	-
Business Combinations (Pension Fund liability for staff transferred under TUPE)	-	-
Total recognised in operating profit / (loss)	**(8,141)**	**(8,490)**
Finance costs	(8,733)	(6,888)
Finance income	8,414	6,849
Total post-employment benefit charged to the profit / (loss) from continuing operations	**(8,460)**	**(8,529)**
Re-measurement of the Net defined Benefit Liability:		
Change in demographic assumptions	309	910
Change in financial assumptions	36,362	11,821
Other experience	1,433	(4,680)
Return on plan assets (excluding amounts already included in the net interest expense)	(2,884)	11,915
Effect of the asset ceiling on net asset/liability	(35,926)	(26,780)
Total recognised in Other Income	**(706)**	**(6,814)**
Total recognised in Total Comprehensive Income for the period	**(9,166)**	**(15,343)**

Pensions Assets and Liabilities Recognised in the Statement of Financial Position

The amount included in the Statement of Financial Position arising from the Company's obligation in respect of its defined benefit plans is as follows:

	2024/25 £000	2023/24 £000
Present Value of the Defined Benefit Obligation	(127,401)	(148,812)
Fair Value of Plan Assets	184,714	168,139
Effect of the asset ceiling on net asset/liability	(64,004)	(26,780)
Net Liability arising from Defined Benefit Obligations	**(6,691)**	**(7,453)**

Reconciliation of Present Value of the Scheme Assets and Liabilities

	2024/25			2023/24		
	Assets £000	Liabilities £000	Total £000	Assets £000	Liabilities £000	Total £000
Opening Present Value of Scheme Liabilities	**168,139**	**(148,812)**	**19,327**	**138,609**	**(140,186)**	**(1,577)**
Current Service Cost	-	(8,125)	**(8,125)**	-	(8,490)	**(8,490)**
Past Service Cost	-	(16)	**(16)**	-	-	**-**
Interest (Cost) / Income	8,414	(7,434)	**980**	6,849	(6,888)	**(39)**
Impact of asset ceiling on net interest						
Contributions from the employer	9,927	-	**9,927**	9,467	-	**9,467**
Contributions from employees	3,435	(3,435)	**-**	3,297	(3,297)	**-**
Gains / (Losses) on Curtailment	-	-	**-**	-	-	**-**
Benefits paid	(2,317)	2,317	**-**	(2,043)	2,043	**-**
Re-measurement Gains / (Losses) :						
- Actuarial Gains / (Losses) arising from change in demographic assumptions	-	309	**309**	-	910	**910**
- Actuarial Gains / (Losses) arising from changes in financial assumptions	-	36,362	**36,362**	-	11,821	**11,821**
- Other experience	-	1,433	**1,433**	45	(4,725)	**(4,680)**
- Return on assets (excluding the amount included in the net interest expense)	(2,884)	-	**(2,884)**	11,915	-	**11,915**
Closing Unadjusted Fair Value of Scheme Assets at 31 March	**184,714**	**(127,401)**	**57,313**	**168,139**	**(148,812)**	**19,327**
Effect of the asset ceiling on net asset/liability		(64,004)	**(64,004)**		(26,780)	**(26,780)**
Closing Adjusted Fair Value of Scheme Assets at 31 March	**184,714**	**(191,405)**	**(6,691)**	**168,139**	**(175,592)**	**(7,453)**

In line with the most recent triennial valuation, an employer contribution rate of 19.9% has been in effect from 2023/24 and 2024/25.

The fund accounts include estimated asset valuations at 31 March 2025. The annual actuarial assessment of the value of assets and liabilities involves a number of complex assumptions and estimation uncertainty. All disclosures and certificates have been reviewed by the fund managers to ensure valuations included in the accounts have, in the opinion of the fund managers, been prepared and issued on a reasonable basis. No adjustment has been made to figures provided by fund managers. The sensitivity analysis below shows a potential impact of £0.5m if property and infrastructure assets were to reduce by 5%, or £1.0m in the event of a 10% reduction in value.

Asset Sensitivity Analysis as at 31 March 25	**Value as at 31 March 2025 £000**	**5% reduction in value £000**	**10% reduction in value £000**
LBW Property Assets	4,461	(223)	(446)
LBW Private Debt and Infrastructure	8,079	(404)	(808)
RBK Property Assets	5,768	(288)	(577)

Local Government Pension Scheme assets comprised:

	31-Mar-25				31-Mar-24			
	£000	%	£000	%	£000	%	£000	%
	LB WANDSWORTH (RICHMOND)		RB KINGSTON		LB WANDSWORTH (RICHMOND)		RB KINGSTON	
Equity Securities								
- Consumer	-	-	2,096	2%	-	-	1,897	2%
- Manufacturing	-	-	1,189	1%	-	-	1,077	1%
- Energy and Utilities	-	-	1,245	1%	-	-	1,127	1%
- Financial Institutions	-	-	1,965	2%	-	-	1,778	2%
- Health Care	-	-	1,970	2%	-	-	1,784	2%
- Information Technology	-	-	2,973	3%	-	-	2,692	3%
- Other	-	-	2,017	2%	50,040	58%	1,825	2%
Bonds								
- Corporate Bonds (investment grade)	-	-	-	-	7,500	9%	-	-
- Corporate Bonds (non-investment grade)	-	-	-	-	13,816	16%	-	-
Property (UK)	4,460	5%	5,768	6%	4,200	5%	5,221	6%
Investment Funds and Trusts								
- Equities	56,320	59%	35,842	39%	-	-	32,444	40%
- Bonds	23,139	24%	16,766	18%	-	-	15,177	19%
- Infrastructure	8,079	9%	-	0%	7,156	8%	-	-
- Other	-	-	17,694	19%	-	-	16,017	20%
Derivatives:								
- Foreign Exchange	208	-	-	-	182	1%	-	-
Cash and Cash Equivalents	2,820	3%	1,615	2%	2,744	3%	1,462	2%
	95,026	**100%**	**91,140**	**100%**	**85,638**	**100%**	**82,501**	**100%**

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc.

Both the Local Government Pension Scheme and discretionary benefits liabilities have been estimated by Hymans Robertson LLP and Barnett Waddingham LLP, independent firms of actuaries. Estimates for Statements of the Fund are based on the latest full valuation of the schemes available at the time of producing the calculations. The company is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities

The significant assumptions used by the actuary have been:

	2024/25		2023/24	
	LB WANDSWORTH (RICHMOND)	RB KINGSTON	LB WANDSWORTH (RICHMOND)	RB KINGSTON
Long term expected rate of return on assets in the scheme	1.50%	1.50%	1.50%	1.50%
Mortality assumptions				
Longevity at 65 for current pensioners:				
Men	21.1 years	22.4 years	21.2 years	22.4 years
Women	23.6 years	24.7 years	23.7 years	24.8 years
Longevity at 65 for future pensioners:				
Men	22.7 years	22.6 years	22.8 years	22.8 years
Women	25.3 years	25.9 years	25.4 years	26.0 years

Take up option to convert annual position into retirement lump sum	2024/25	2024/25	2023/24	2023/24
	LB WANDSWORTH (RICHMOND)	RB KINGSTON	LB WANDSWORTH (RICHMOND)	RB KINGSTON
- Pre April 2008 Service	50%	45%	50%	45%
- Post April 2008 Service	50%	45%	50%	45%

	31-Mar-25	31-Mar-24
	% pa	% pa
Financial Assumptions		
Medium Term RPI	3.05%	3.10%
Medium Term CPI	2.75%	2.75%
Rate of increase in pensions - Wandsworth (Richmond)	2.70%	2.75%
Rate of increase in pensions - Kingston	2.70%	2.75%
Rate of increase in salaries - Wandsworth (Richmond)	3.70%	3.75%
Rate of increase in salaries - Kingston	3.20%	3.25%
Discount Rate - Wandsworth	5.85%	4.85%
Discount Rate - Kingston	5.85%	4.85%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that only the assumption analysed changes, while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method.

Change in Assumptions at 31 March	31-Mar-25 Approximate monetary amount £000	31-Mar-25 Approximate % increase to employer	31-Mar-24 Approximate monetary amount £000	31-Mar-24 Approximate % increase to employer
0.1% decrease in Real Discount Rate	18,715	10%	17,350	10%
1 year increase in member life expectancy	5,953	4%	5,608	4%
0.1% increase in the salary increase rate	1,425	0%	1,515	0%
0.1% increase in the pension increase rate	17,630	10%	16,090	10%

Defined benefit pension schemes accounted for as defined contribution schemes

The Company participates in two defined benefit pension schemes which are accounted for as defined contribution schemes:

Teacher's Pension Scheme (TPS)

Staff employed by the Company on teacher's terms and conditions are members of the Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE). The Scheme provides teachers with specified benefits upon their retirement, and the Company contributes towards the costs by making contributions based on a percentage of members' pensionable salaries. The scheme is a multi-employer defined benefit scheme. The scheme is unfunded and the Department for Education uses a notional fund as the basis for calculating the employers' contribution rate paid by local authorities. Valuations of the notional fund are undertaken every four years. The Company is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes and it is therefore accounted for on the same basis as a defined contribution scheme. AfC is responsible for the costs of any additional benefits awarded upon early retirement outside of the terms of the teachers' scheme. There were no such costs in 2024/25. The Company is not liable to the scheme for any other entity's obligations under the plan.

National Health Service (NHS) Pension Scheme

The Company employs some staff who undertake medical procedures and therefore qualify for membership to the NHS Pension Scheme. The NHS pension scheme is an unfunded, multi-employer, defined benefit scheme that covers NHS employers. In the NHS, the scheme is accounted for as if it were a defined contribution scheme: "NHS bodies shall account for the NHS Superannuation Scheme as a defined contribution plan" (NHS Manual full reference). The Company is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes. For the purposes of these Accounts, it is therefore accounted for on the same basis as a defined contribution scheme. The Company is not liable to the scheme for any other entity's obligations under the plan.

	Teachers' Pension Scheme 2024/25 £000	NHS Pension Scheme 2024/25 £000	Teachers' Pension Scheme 2023/24 £000	NHS Pension Scheme 2023/24 £000
Total Contributions	(759)	(97)	(603)	(105)
Employer's Contribution Rate	23.7%	20.7%	23.7%	20.7%
Anticipated Employer's Contributions next year	28.7%	23.7%	23.7%	20.7%

NOTE 6 AGENCY TRANSACTIONS

During the period, AfC acted as agent for the LB Richmond upon Thames and RB of Kingston upon Thames with regard to a number of payments of Dedicated School Grant to schools and other educational organisations. AfC calculates the grant allocations in line with prescribed methodologies and arranges payment of the money to the relevant organisations. The agency calculations disclosed are formulaic and therefore the Company does not directly control the value of the transactions. The Company is fully reimbursed by the Councils for all payments made. These agency transactions have been excluded from the Accounts and will instead be reported within the Council's Accounts. The net impact of the difference in cash received and amounts paid out on behalf of the Councils is recognised as a net debtor on the Statement of Financial Position. There were no agency transactions in RB Windsor and Maidenhead for 2024/25.

NOTE 7 REVENUE AND OTHER INCOME

An entity must recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue will only be recognised when obligations are satisfied.

The following tables show the Company's revenue streams by type and service area. All material contract performance obligations have been fulfilled in year.

	Trading 2024/25 £000	Trading 2023/24 £000
Contract income LB Richmond Upon Thames	97,085	89,653
Contract income RB of Kingston Upon Thames	97,904	88,398
Contract income RB of Windsor and Maidenhead	58,292	48,467
Fees & charges for services	7,760	7,797
Lettings	247	166
Client contributions	1,221	765
Income from local authorities	5,785	7,404
Turnover reported within operating loss	**268,294**	**242,650**
Government Grants	1,609	1,199
Grants and contributions	10,795	10,306
Donations	11	32
Other	-	-
Other income reported within operating loss	**12,415**	**11,536**
Total income reported in operating loss	**280,709**	**254,186**

The revenue by service area is shown in note 9 – Departmental Analysis.

The Company derives over 90% of its revenue from two contracts with the owning Councils. There is one contract with both Kingston and Richmond Councils and one with Windsor and Maidenhead Council and there are separate contract prices for all three Councils. The contractual terms are the same for each contract and Council with minor differences in the specification of services provided. Under these contracts the Company provides a comprehensive range of children's services to each Council including both statutory and discretionary services.

The principal commercial risks are the same for each contract and are mainly associated with changes in demand for services both in terms of volume and complexity of services required that lead to increased costs. These risks are mitigated through contractual provisions for changes in the contract price through a change control process, which are subject to agreement by the relevant Council. The Councils are invoiced monthly for services provided as one-twelfth of that year's contract price and invoices settled within 30 days. Given the nature of the services provided the Company has determined that the performance obligations in the contracts should be combined to a single performance obligation for each contract and these obligations are satisfied over time. Progress towards satisfaction of the obligations is measured quarterly, which matches the period that the Councils measure. Whilst the contracts with the Councils provide for reductions in the contract price in respect of poor performance (both quality and quantity) through a default notification process, no such default notices have been served during the life of the contracts including the year to which these accounts relate and the prior year.

NOTE 8 OTHER EXPENSES

The following table provides a breakdown of other expenses reported in the Statement of Comprehensive Income:

	2024/25 £000	**2023/24 £000**
Indirect employee costs	(9,769)	(9,658)
Premises	(1,461)	(1,285)
Transport	(9,343)	(9,443)
Supplies and services	(16,106)	(14,563)
Third party (contract) payments and transfer payments	(158,509)	(138,122)
Support services	(3,962)	(5,358)
Other expenses	**(199,150)**	**(178,430)**

NOTE 9 DIVISIONAL RESULTS

Management reports on six key segments or divisions throughout the period. Each division is managed by a member of the Senior Leadership Team and there are regular finance updates to the Board and parent Councils during the period. The following tables show the outturn position that was reported to management.

Management Outturn 2024/25	Operational Strategic Management £000	Social Care and Early Help £000	Special Educational Needs and Children with Disabilities £000	Education £000	Public Health £000	Business Services £000	Grand Total £000
Income							
LB Richmond Contract	-	-	-	-	-	97,285	**97,285**
RB Kingston Contract	-	-	-	-	-	98,104	**98,104**
RB Windsor & Maidenhead	-	-	-	-	-	58,292	**58,292**
Customer and Client Receipts	-	2,687	1,851	3,202	(34)	1,542	**9,248**
Other Grants and Contributions	75	4,791	8,818	779	1,712	396	**16,571**
Government Grants	-	593	547	78	-	391	**1,609**
Interest Receivable	-	-	-	-	-	31	**31**
	75	**8,071**	**11,216**	**4,059**	**1,678**	**256,041**	**281,140**
Expenditure							
Employees	311	44,359	19,418	8,360	1,649	12,076	**86,173**
Premises	1	548	24	23	4	3,132	**3,732**
Transport	1	1,436	4,648	3,695	15	4	**9,799**
Supplies and Services	418	5,468	5,938	1,635	47	3,136	**16,642**
Third Party Payments	-	56,879	56,812	20	-	383	**114,094**
Transfer Payments	1,958	2,584	32,176	7,570	-	522	**44,810**
Support Services	2	1,926	137	15	-	1,883	**3,963**
Interest Paid	-	-	-	-	-	1,927	**1,927**
Tax		-	-	-	-	-	**-**
	2,691	**113,200**	**119,153**	**21,318**	**1,715**	**23,063**	**281,140**
Outturn	**(2,616)**	**(105,129)**	**(107,937)**	**(17,259)**	**(37)**	**232,978**	**-**
Re-Allocate contract price	2,557	104,307	109,151	16,888	38	(232,941)	-
Underspend/ (overspend)	**(59)**	**(822)**	**1,214**	**(371)**	**1**	**37**	**-**

Management Outturn 2023/24	Operational Strategic Management £000	Social Care and Early Help £000	Special Educational Needs and Children with Disabilities £000	Education £000	Public Health £000	Business Services £000	Grand Total £000
Income							
LB Richmond Contract	-	-	-	-	-	90,190	**90,190**
RB Kingston Contract	-	-	-	-	-	88,598	**88,598**
RB Windsor & Maidenhead	-	-	-	-	-	48,472	**48,472**
Customer and Client Receipts	-	2,607	1,914	3,431	1	1,079	**9,032**
Other Grants and Contributions	-	6,542	7,598	834	1,850	881	**17,705**
Government Grants	-	293	410	-	-	495	**1,199**
Interest Receivable	-	-	-	-	-	50	**50**
	-	**9,442**	**9,922**	**4,265**	**1,851**	**229,766**	**255,246**
Expenditure							
Employees	324	42,871	17,677	6,872	1,729	10,508	**79,980**
Premises	-	528	19	37	0	3,084	**3,668**
Transport	1	1,379	4,855	3,623	14	38	**9,910**
Supplies and Services	375	4,891	5,850	2,140	43	2,192	**15,490**
Third Party Payments	15	44,760	49,593	48	-	467	**94,883**
Transfer Payments	2,231	6,505	28,796	5,567	-	1,146	**44,244**
Support Services	34	2,159	161	41	0	2,963	**5,358**
Interest Paid	-	-	-	-	-	1,713	**1,713**
Tax	-	-	-	-	-	-	-
	2,980	**103,093**	**106,949**	**18,328**	**1,786**	**22,110**	**255,246**
Outturn	**(2,980)**	**(93,651)**	**(97,027)**	**(14,063)**	**65**	**207,656**	**(0)**
Re-Allocate contract price	2,930	92,477	97,917	14,107	(65)	(207,366)	**(0)**
Underspend/ (overspend)	**(50)**	**(1,175)**	**890**	**45**	**-**	**289**	**(0)**

The basis on which the Company reports during the period is different to the IFRS compliant reporting required for this Statement of Accounts. The following table provides a reconciliation between the outturn reported to management and the Statement of Comprehensive Income:

	2024/25			2023/24		
	Reallocated in SOCI	**Amounts not reported to management for decision making (IFRS adjustments)**	**Cumulative total including management accounts**	**Reallocated in SOCI**	**Amounts not reported to management for decision making (IFRS adjustments)**	**Cumulative total including management accounts**
Management Outturn						
Interest Receivable	(31)			(50)		
Interest Payable	1,927			1,713		
Tax expense	0			0		
Recognition of annual leave owing to employees		(931)			480	
Pension Adjustments:						
Employer contributions		1,786			977	
Recognition of non current assets		549			554	
Recognition of leases except interest		2,727			3,187	
Recognition of provisions		(14)			46	
Depreciation		(3,195)	**2,818**		(3,244)	**3,663**
Operating profit			**2,818**			**3,663**
Tax expense	0			0		
Interest Receivable	31			50		
Interest Payable	(1,927)	(113)		(1,713)	436	
Net Interest Payable		(319)	**(2,328)**		(39)	**(1,266)**
Profit from continuing operations			**490**			**2,397**
Pension Adjustments:						
Remeasurements		(706)	**(706)**		(6,814)	**(6,814)**
Total comprehensive income for the year			**(216)**			**(4,417)**

NOTE 10 NON CURRENT ASSETS

Details of movement in non-current assets are included in the table below:

	2024/25				
	Buildings	Vehicles	Tangible ICT Equipment	Other ICT (Systems and Software)	Total 2024/25
	£000	£000	£000	£000	£000
Gross carrying amount:					
Opening balance	**20,872**	**1,995**	**1,229**	**2,323**	**26,419**
Revaluation	-	-	-	-	-
Additions	1,583	22	175	243	2,023
Disposals	(1,212)	-	-	-	(1,212)
Balance 31 March	**21,243**	**2,017**	**1,404**	**2,566**	**27,230**
Depreciation, Amortisation and impairment:					
Opening balance	**(17,088)**	**(1,329)**	**(619)**	**(1,890)**	**(20,926)**
Disposals	1,043	-	-	-	1,043
Depreciation / Amortisation in year	(2,160)	(428)	(249)	(357)	(3,194)
Balance 31 March	**(18,205)**	**(1,757)**	**(868)**	**(2,247)**	**(23,077)**
Carrying amount 31 March	**3,038**	**260**	**536**	**319**	**4,153**

	2023/24				
	Buildings	Vehicles	Tangible ICT Equipment	Other ICT (Systems and Software)	Total 2023/24
	£000	£000	£000	£000	£000
Gross carrying amount:					
Opening balance	**21,903**	**1,966**	**1,295**	**2,323**	**27,487**
Revaluation					0
Additions		137	554		691
Disposals	(1,031)	(108)	(620)		(1,759)
Balance 31 March	**20,872**	**1,995**	**1,229**	**2,323**	**26,419**
Depreciation, Amortisation and impairment:					
Opening balance	**(15,535)**	**(930)**	**(1,017)**	**(1,575)**	**(19,057)**
Disposals	699	56	620		1,375
Depreciation / Amortisation in year	(2,252)	(455)	(222)	(315)	(3,244)
Balance 31 March	**(17,088)**	**(1,329)**	**(619)**	**(1,890)**	**(20,926)**
Carrying amount 31 March	**3,784**	**666**	**610**	**433**	**5,493**

The following table summarises the Right-of-Use Assets included in the Property, Plant and Equipment figures:

	Gross Amount £000	Depreciation £000	Carrying Amount £000
Buildings	21,243	(18,205)	3,038
Vehicles	2,017	(1,757)	260
Other ICT (Systems and Software)	3,969	(3,115)	854

Depreciation is provided for on all property, plant and equipment assets by allocating the value of the asset over their useful lives. Depreciation is calculated in the following bases:
Computer Equipment - Straight line allocation over 5 years
Mobile Phones - Straight line allocation over 3 years
Property, Vehicles and ICT Systems & Software - Straight line allocation over the period of the lease

NOTE 11 LEASES

Lease liabilities are presented in the statement of financial position as follows:

		31/03/2025 £'000	31/03/2024 £'000
11 b)	Current Lease Liabilities	2,692	2,736
11 a)	Non-Current Lease Liabilities	1,070	2,333
	Total lease liabilities recognised under IFRS 16	**3,762**	**5,069**

The Company has leases for the property (office and operations buildings), vehicles and ICT systems. The Company leases offices and operational buildings from RB Kingston, LB Richmond and RB Windsor & Maidenhead which, with one exception, can be terminated on 12 months' notice. However, in line with IFRS 16 guidance, the property leases have been assumed until the end of the owners' respective contract arrangements due to the likelihood that these lease arrangements will be continued. With the exception of short-term leases and leases of low-value, each lease is reflected on the balance sheet as a right-of-use asset and a relational lease liability. The lease arrangements were fully assessed under the new IFRS 16 Standard, with likely extensions and potential terminations or retendering taken into consideration. The right-of-use assets can only be used by the Company and cannot be sub-let.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on the balance sheet:

Right-of-use-asset	No of right-of-use assets leased	Range of remaining terms	Average remaining terms	Number of leases with extension options	Number of leases with option to purchase
Property	45	4 - 12 months	3 years	45	0
Vehicles	48	0 - 20 months	0.50 years	48	0
ICT (Systems and Software)	6	4 - 24 months	1.0 year	6	0

The lease liabilities are secured by the related underlying assets. Future minimum lease payments as 31 March 2025 are as follows:

Remeasurement

The company did not remeasure any leases in the year. Lease addition reflects new leases for 15 properties. These are not new property leasesDuring the year, the company did not remeasure any leases. Lease additions reflect new leases for 15 properties, which are not new property leases.

Right-of-use-asset	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
	£000	£000	£000	£000	£000	£000	
Lease Payments	2,780	394	394	394	-	-	**3,962**
Finance Charges	(110)	(56)	(27)	(7)	-	-	**(200)**
Net Present Value	**2,670**	**338**	**367**	**387**	**-**	**-**	**3,762**

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value (less than £5,000 total cost). Payments under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

Operating Leases	2024/25 £000	2023/24 £000
Leases of low value	13	28
Leases with remaining lease term of less than 12 months	0	0
Payments not included in lease liability	**13**	**28**

Finance and operating leases as lessor

The Company has no leases as lessor.

NOTE 12 FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and financial liabilities are as follows:

	31 Mar 2025 £000	31 Mar 2024 £000
Financial assets / Loans and Receivables		
Trade and other receivables categorised as Financial Instruments	60,974	50,400
Trade and other receivables not categorised as Financial Instruments	2,851	3,240
Cash and cash equivalents categorised as a Financial Instrument	5,700	8,300
	69,525	**61,940**

	31 Mar 2025 £000	31 Mar 2024 £000
Financial liabilities at amortised cost		
Current borrowings	40,700	43,600
Short term finance lease liabilities (IFRS 16)	2,692	2,736
Trade and other payables categorised as Financial Instruments	20,231	12,966
Trade and other payables not categorised as Financial Instruments	12,237	8,073
Total Current Financial Liabilities	**75,860**	**67,275**
Non-current financial lease liabilities (IFRS 16)	1,070	2,333
Total Financial Liabilities	**76,930**	**69,608**

A description of the Company's financial instrument risk, including risk management objectives and policies is given in Note 23.

NOTE 13 TRADE AND OTHER RECEIVABLES

Trade and other receivables are made up as follows:

	31-Mar-25 £000	31-Mar-24 £000
Trade receivables, gross	61,112	50,525
Allowance for credit losses	(138)	(125)
Trade receivables	**60,974**	**50,400**
Employee leave	191	167
Prepayments	2,660	3,073
Total current trade and other receivables	**63,825**	**53,640**
Non current prepayments	**-**	**-**
Total trade and other receivables	**63,825**	**53,640**

The net carrying value of trade receivables is considered a reasonable approximation of fair value. All of the Company's trade and other receivables have been reviewed for indicators of impairment.

The Company has made allowances against specific balances for impairment of receivables. The movement in allowance for credit losses and write offs are presented below:

	31-Mar 25 £000	31-Mar-25 £000
Balance 1 April	**(125)**	**(117)**
Amounts written off (uncollectable)	-	11
Impairment loss/gain	(13)	(19)
Balance 31 March	**(138)**	**(125)**

NOTE 14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	31-Mar-25 £000	31-Mar-24 £000
Current Account (includes impact of transactions in transit)	1,630	1,224
Instant Access Deposit Account	4,049	7,055
Imprest Accounts (cash in hand and in bank)	21	21
	5,700	**8,300**

NOTE 15 TRADE AND OTHER PAYABLES

Trade and other payables consist of the following:

	31-Mar-25 £000	31-Mar-24 £000
Trade payables	20,231	12,966
Employee leave	2,063	1,108
Receipts in advance	622	813
Taxes (e.g. VAT, National Insurance)	9,552	6,152
	32,468	**21,039**

NOTE 16 PROVISIONS

There were no short term provisions for the year 2024/25 (2023/24 nil).

NOTE 17 OTHER LIABILITIES

The following table contains a breakdown of other current and non-current liabilities (excluding trade receivables and payables):

	31-Mar-25 £000	31-Mar-24 £000
Lease liabilities	2,692	2,736
Short term loans from parent councils	40,700	43,600
Other liabilities - current	**43,392**	**46,336**
Lease liabilities	1,070	2,333
Pension fund defined benefit liability (see note 5)	6,691	7,452
Other liabilities - non-current	**7,761**	**9,785**

Details of the terms of the short term loans are set out in Note 24.

NOTE 18 FINANCE COSTS AND FINANCE INCOME

Finance costs for the reporting period consist of the following:

	2024/25 £000	2023/24 £000
Interest receivable on short term cash deposits	31	50
Total interest receivable	**31**	**50**
Interest on short term borrowings from parent councils	(2,232)	(1,713)
Finance lease interest	447	447
Net interest expense on defined benefit liability	(575)	(39)
Total interest payable	**(2,360)**	**(1,305)**

NOTE 19 CORPORATION TAX

The following table shows the tax reconciliation based on IAS12.

	2024/25 Accounts £000	%	2023/24 Accounts £000	%
Profit/(Loss) on ordinary activities before tax	**490**		**2,397**	
Tax on loss on ordinary activities at standard CT rate	122	25.00%	600	25.00%
Effects of:				
Expenses not deductible for tax purposes	-	-	-	-
Income not taxable	-	-	-	-
Adjustments to brought forward values	-	-	-	-
Amounts charged directly to equity or otherwise transferred	(177)	(36.12%)	(1,704)	(71.09%)
Capital Allowances in excess of depreciation	-	-	-	-
Other short term differences	-	-	-	-
Defined benefit scheme timing differences	-	-	-	-
Adjust closing deferred tax to average rate	-	-	-	-
Utilisation of tax losses and other deductions	-	-	-	-
Deferred tax not recognised	54	11.02%	1,104	46.06%
Unexplained difference	-	-	-	-
Current tax charge/credit for the period	**-**	**-**	**-**	**-**

Deferred Tax Asset

As a Community Interest Company AfC must pay Corporation Tax on all taxable profits at the domestic effective tax rate. The Company has reported a profit before tax for the 2024/25 financial period of £0.5m and loss before tax for the 2023/24 financial period of £2m. There was no corporation tax amount that is payable for the

2024/25 (£nil in 2023/24) financial year. It is not probable that the Company will make significant taxable profits in the short to medium term and therefore it has not recognised the losses carried forwards in the Accounts. If the Company does make taxable profits in the coming years it will be able to reduce its initial tax liability by offsetting taxable losses incurred. The amount recognised as a contingent asset at 31 March 2025 is £2.629m (£2.574m at 31 March 2024).

NOTE 20 NON CASH FLOW ADJUSTMENTS AND CHANGES IN WORKING CAPITAL

The following tables provide a breakdown of the non-cash transactions recognised in the Statement of Comprehensive Income and Statement of Financial Position.

	2024/25 £000	2023/24 £000
Net changes in working capital:		
Change in trade and other receivables (increase)	(10,185)	(14,364)
Change in trade and other payables (decrease)	11,429	3,591
Total changes in working capital	**1,244**	**(10,773)**

	2024/25 £000	2023/24 £000
Non Cash Flow Adjustments:		
Current and past service costs	8,141	8,490
Net interest on defined benefit liability	319	39
Provision	-	(100)
Depreciation	3,195	3,244
	11,655	**11,673**

AfC borrows money from the parent Councils via a revolving credit facility for ongoing operations. The amount still owed to the Councils under this arrangement is detailed in note 17 to the accounts.

NOTE 21 RELATED PARTY TRANSACTIONS

The Company's related parties include its owners (LB Richmond, RB Kingston and RB Windsor & Maidenhead), company directors, senior managers with strategic decision making powers, post-employment benefit plans and others as stated below.

Transactions with the Company's owners

Achieving for Children is jointly owned by the London Borough of Richmond upon Thames, the Royal Borough of Kingston upon Thames and the Royal Borough of Windsor and Maidenhead. The boroughs have influence over major policy decisions and funding. The Company is contracted by the three Councils to provide their children's services. The Councils also provide support services and accommodation to the Company and a loan facility of up to £45m. The table below summarises the key transactions:

	LB Richmond 2024/25 £000	RB Kingston 2024/25 £000	RB Windsor 2024/25 £000	LB Richmond 2023/24 £000	RB Kingston 2023/24 £000	RB Windsor 2023/24 £000
Receipts	120,816	117,141	70,296	104,876	101,827	63,818
Accrued income	2,454	10,760	15,079	13,906	17,468	8,057
Payments	442	1,592	861	1,241	2,794	485
Accrued Expenditure	182	145	335	422	499	451
Total Value	**123,894**	**129,638**	**86,571**	**120,445**	**122,588**	**75,812**
Other Balances						
Borrowing	16,422	15,112	9,166	17,113	16,359	10,128

Transactions with schools maintained by the Councils have been excluded as the contract price captures the value of these transactions. Individual schools are not deemed to have control over the Company.

Transactions with Key Management Personnel

Directors (including non-executive) and senior management have direct control over the Company's finance and operating policies and make up Key Management Personnel. The table below summarises the remuneration received by these individuals. As a result of legislative requirements relating to the employment of statutory officers, some members of the Company Leadership Team are employed by the parent Councils and seconded to Achieving for Children. The total remuneration paid has been captured in the table below and includes total remuneration paid by AfC and the parent Councils. Further details on the remuneration of individual Directors are included in the Director's Report.

	2024/25 £	2023/24 £
Short Term Benefits:		
Salary	958,068	914,448
National Insurance	123,830	117,658
Expenses	2,220	1,602
Agency	-	-
Post-Employment Benefits:		
Defined benefit pension plans	198,172	197,664
Total Remuneration	**1,282,290**	**1,231,372**

During the period directors, senior management or members of their immediate families had relationships / influence over the organisations detailed in the table below. Organisations have been detailed regardless of whether transactions occurred with AfC. Where transactions have occurred, the relevant officer or director was not involved in decision making. All transactions include VAT

	Transactions in the period		Amounts owed at period-end		Total value of transactions	Transactions in the period		Amounts owed at period-end		Total value of transactions
	Payments	Receipts	Owed to	Owed by		Payments	Receipts	Owed to	Owed by	
	2024/25	2024/25	2024/25	2024/25	2024/25	2023/24	2023/24	2023/24	2023/24	2023/24
	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Ofsted	17	-	-	-	**17**	15	-	-	-	**15**
Newham Council	-	-	-	-	-	-	-	-	-	-
Royal County of Berkshire	-	-	-	-	-	-	-	-	-	-
RBWM Property Ltd	-	-	-	-	-	-	-	-	-	-
Debworth Green First School	-	-	-	-	-	2	-	-	-	**2**
Debworth Green Middle School	-	-	-	-	-	-	-	-	-	-
Windsor Girls School	8	(6)	-	-	**2**	1	-	-	-	**1**
Windsor Learning Partnership										
Haven House Children's Hospice	-	-	-	-	-	-	-	-	-	-
Children's Hospices across London (CHaL)	-	-	-	-	-	-	-	-	-	-
Woking and Sam Beare Well Being Care	-	-	-	-	-	-	-	-	-	-
NWSA	-	-	-	-	-	-	-	-	-	-
SWL Integrated Care Board (ICB)	854	(1,772)	-	(2,840)	**(3,758)**	1,011	(2,338)	28	(3,341)	**(4,640)**

One of the Company's Non Executive Independent Directors (Nicki Craig) resigned in January 2025. She was a Community Governor at Windsor Girls School in 2023/24 and in 2024/2025 she became a trustee of Windsor Learning Partnership. The transactions related to income from the schools are for attendance at training and assessment sessions throughout the financial year. They are also an employer representative on the Royal County of Berkshire Pension Board and a Board Director of RBWM Property Company Ltd, which have had no transactions with Achieving for Children.

One of the Company's Non Executive Independent Directors (Martin Spencer) who resigned in July 2024, is an Non Executive Director at Ofsted. Ofsted is an inspector of schools and regulator of social care. Transactions in 2024/25 and 2023/24 relate to annual fees paid for Social Care. He is a Non-Executive Director for the South West London Integrated Care Board. In 2024/25 and 2023/24 we received income from SWL ICB for joint funded placements, therapies and other funding.

One of the Company's Non Executive Directors (Jeremy DeSouza) is a member of the South West London Integrated Care Board's Richmond Place-based Partnership Committee. Income from the SWL ICB is outlined in the paragraph above.

One of the Company's Non Executive Independent Directors (Nathan Nagaiah) is the Data Economy Sector Lead with Newham Council. There were no transactions between Newham Council and AfC during 2024/25 and 2023/24.

The Chair of the Board (Sian Wicks) is the Chief Executive at ERIC, The Children's Bowel & Bladder Charity since January 2025. She was the Chief Executive at Haven House Children's Hospice for part of 23/24. Additionally, the Chair of the Board is a Trustee for CHaL, a Board Director for NWSA and the Managing Director of Integrated Governance Solutions LSian Wicks, the current Chair of the Board, assumed the role of Chief Executive at ERIC, The Children's Bowel & Bladder Charity in January 2025. Previously, she served as Chief Executive at Haven House Children's Hospice during a portion of 2023/24. In addition to these roles, Wicks acts as a Trustee for CHaL, a Board Director for NWSA, and the Managing Director of Integrated Governance Solutions Ltd.. There were no transactions between AfC and these organisations during 2024/25 or 2023/24.

Transactions with post-employment benefit plans

Employees of AfC are members of a number of pension plans. The defined benefit plans (the LGPS) are separately administered by the LB Wandsworth (Richmond) and RB Kingston who are also owners of the Company. The pension funds are treated as separate financial entities and the terms of the benefit plans are prescribed by regulation. Note 5 to these accounts contains further details of the specific plans and associated figure

NOTE 22 CONTINGENT ASSETS AND LIABILITIES

Contingent Liabilities

Contingent liabilities relate to possible expenditure arising from a past event that has not been recognised in the Statement of Accounts due to the probability that a transfer of economic benefits will not arise, or cannot be reliably estimated. The possible liability is dependent on the outcome of something happening in the future. A review is undertaken annually to identify any potential liabilities.

- **Legal Cases / Tribunals / Insurance Claims**

As at the 31st March there were a number of tribunals and claims outstanding against the Company. None of these claims are expected to materially impact the accounts but some could lead to non-trivial damages / costs in future years should the tribunal rule against AfC. If claims do arise then these will be met by the Company's insurance policy (£50k excess) or via in year budgets.

- **Termination Benefits**

The Company must make significant reductions in its cost base over the next three years to achieve contract price reduction targets set by the contracting Councils. Plans continue to be developed to address these cost pressures and it is probable that some termination benefits will be paid out to staff as part of these plans. The Company is not able to estimate these at present but any future liabilities will be met through in year budgets, contract change control mechanisms and the phasing of reductions in the Company's cost base.

Deferred Tax Asset

As a Community Interest Company AfC must pay Corporation Tax on all taxable profits at the domestic effective tax rate. The Company has reported a profit before tax for 2024/25 and loss before tax for 2023/24 of £0.6m and £2m respectively. There was no corporation tax amount that is payable for the 2024/25 (£nil in 2023/24) financial year. It is not probable that the Company will make significant taxable profits in the short to medium term and therefore it has not recognised the losses carried forwards in the Accounts. If the Company does make taxable profits in the coming years it will be able to reduce its initial tax liability by offsetting taxable losses incurred. The amount recognised as a contingent asset at 31 March 2025 is £2.629m (£2.574m at 31 March 2024).

NOTE 23 FINANCIAL INSTRUMENTS RISK

Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities are summarised in Note 12. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management procedures are focused on the unpredictability of financial markets and are structured to implement suitable controls to minimise these risks.

Market risk analysis

The principal risk that the Company is exposed to is fluctuations in interest rates that can impact on its operating costs. The Company has seen the interest rate on our revolving credit facility increase by x% through the year. The Company only has exposure to short term borrowing and deposits that are on variable interest rate terms with no currency exposure.

As an indication of the sensitivity to interest rates, a change in interest rates of 1% would change finance costs by +/- £407k (£334k for 2023/24. Outstanding loans at 31 March 2025 were £40.7 million.

Credit risk analysis

Credit risk arises if a counterparty fails to discharge an obligation to the Company. The Company is exposed to credit risk in respect of short term deposits, cash and cash equivalents and trade and other receivables. The maximum exposure to credit risk is limited to the carrying amounts of financial assets recognised at 31 March 2025, as shown in the following table:

	31 March 2025 £000	31 March 2024 £000
Financial assets / Loans and Receivables		
Trade and other receivables categorised as Financial Instruments (net)	60,974	50,400
Trade and other receivables not categorised as Financial Instruments	2,851	3,240
Cash and cash equivalents	5,700	8,300
	69,525	**61,940**

A significant proportion of trade and other receivables are in respect of public sector entities, which mitigates the overall risk. Allowance for credit losses in 2024/25 was £138k (£125k for 2023/24).

The Company only deals with financial institutions that have high credit ratings and monitors these to avoid risk.

Liquidity risk analysis

Liquidity risk arises if the Company is unable to meet its obligations. The Company is able to borrow from its owners (the London Borough of Richmond upon Thames, Royal Borough of Kingston upon Thames and Royal Borough of Windsor and Maidenhead) under a revolving credit facility agreement. This agreement provides a loan facility of £45 million which the Company can draw down on to meet its liquidity requirements and also has up to £14m on same-day withdrawal deposit/current accounts to manage day-to-day cash requirements.

The Company manages its liquidity needs through monitoring forecast cash inflows and outflows arising from its business on a daily and weekly basis and also monitors longer term impacts on its cash flow arising from changes to its business plan.

The Company is required to submit a Treasury Plan at least annually to its owners for their approval that sets out the Company's treasury management plans and procedures.

The revolving credit arrangement in place with its owners is regarded as sufficient mitigation against liquidity risk for the company.

NOTE 24 FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into Levels of fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

The Company holds only the following financial assets and liabilities:

- Cash and cash equivalents
- Current borrowings
- Trade and other receivables and payables

There are no quoted prices that can be used to measure fair value of these assets and liabilities.

Cash, cash equivalents, trade and other payables are all very short term assets and are assessed as being at fair value.

Current borrowings are in respect of one loan facility, provided by the owners of the Company (RB Kingston, LB Richmond and RB Windsor and Maidenhead) – the amount borrowed at 31 March is shown in the following table in Note 25. This is a revolving short term loan agreement which is repayable on 31 September and 31 March each year, or earlier if the company gives the Councils notice. Interest is 0.5% (one half percent) above Bank of England Base Rate. The terms of the loan are judged to reflect current market rates and the actual value of the loan is taken as fair value.

Trade payables are discharged within 30 days and are deemed to be at fair value.

Trade receivables are due within 30 days and are deemed to be at fair value. Receivables not settled within 30 days are amortised in respect of assumed credit losses based on the age of debt

NOTE 25 CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company is jointly owned by LB Richmond, RB Kingston and RB Windsor and Maidenhead as a company limited by guarantee and is a 'not for profit' organisation registered as a Community Interest Company. It provides benefits to its owners by providing services to them under contract at economic cost. The Company is not required to provide a financial return to its owners and has no target for its capital-to-overall financing ratio. The owners of the Company provide funding for the Company through a short-term loan facility and the Company does not have any other borrowings or equity.

The amounts managed as capital by the Company for the reporting period under review are summarised as follows:

	31 March 2025 £000	**31 March 2024 £000**
Cash and cash equivalents	5,700	8,300
Capital	**5,700**	**8,300**
Borrowings	40,700	43,600
Overall financing	**40,700**	**43,600**
Capital-to-overall financing ratio	**0.14**	**0.19**

NOTE 26 POST REPORTING DATE EVENTS

No significant events have occurred between the 31st March reporting date and the date these accounts were authorised.

NOTE 27 AUTHORISATION OF FINANCIAL STATEMENTS

These Financial Statements were approved for submission to audit by the Chief Operating and Finance Officer on 21st July 2025:

Lucy Kourpas (CPFA)
Chief Operating and Finance Officer

NOTE 28 ACCOUNTING POLICIES

General principles

Basis of preparation - accounting practices

These financial statements have been prepared in accordance with UK adopted International Financial Reporting Standards as required by the Companies Act 2006. The Accounts summarise the Company's financial performance (Statement of Comprehensive Income), equity (Statement of Changes in Equity), financial position (Statement of Financial Position) and cash flow (Statement of Cashflows) for the period. The Accounts have been prepared on the historical cost basis.

Changes in accounting policies and prior period adjustments

Except for the changes detailed below, the Company has consistently applied the accountancy policy to all periods presented in these consolidated financial statements.

Prior period adjustments arise either as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for in the current financial period and future periods affected by the change, and do not result in a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or where the change provides more reliable or relevant information about the effect of transactions, other events and economic conditions on the Company's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period. No material errors were discovered in the year.

Exceptional Items

Exceptional items are those which are separately identified by virtue of their size or incidence to enable a full understanding of the Company's financial performance. The nature and amount of these items is disclosed separately, either on the face of the Statement of Comprehensive Income or in the notes to the accounts, depending on how significant the items are.

Accruals of Income and Expenditure

Activity is accounted for in the period that it takes place, not simply when cash payments are made or received. In particular:

Income (Revenue Recognition IFRS 15)

- Revenue from the sale of goods and services is recognised when (or as) the Company transfers control of goods or services to a customer at the amount to which the Company expects to be entitled, and all obligations have been fulfilled in relation to the revenue and/or contract.
- Depending on whether certain criteria are met, revenue is recognised either over time, in a manner that best reflects the company's performance, or at a point in time, when control of the goods or services is transferred to the customer.
- Contract income, fees and charges, lettings, grants, donations and other income arise from the provision of services or the sale of goods or services.

Expenditure

- Supplies are recorded as expenditure when they are consumed. Where there is a gap between the date supplies are received and their consumption (and the values are material) they are carried as inventories on the Statement of Financial Position.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Revenue income and expenditure for the year is reported in the Statement of Comprehensive Income.

Interest

- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

Debtor and creditor balances (accruals policy)
Where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Statement of Financial Position. Where debts may not be settled (i.e. collection is doubtful), the balance of receivables is written down and a charge made to revenue for the income that might not be collected.

Exceptions to this accruals policy are made where it would be impractical in terms of time and cost required and where the effect of not accruing has no material effect on the Company's accounts. The Company has set a general de-minimis level for accruals of creditors that are calculated manually at period-end. This level is reviewed annually and is currently set at £5,000. Two exceptions to this de-minimis rule apply:

- Qualifying expenditure upon which income from third parties is dependent and associated income.
- Invoices for substantially the same supply or service that are chargeable to the same service area are aggregated where their total is over £5,000.

Third Party and Government Grants / Contributions

Whether paid on account, by instalments or in arrears, Government Grants, third party contributions and donations are recognised as due when there is reasonable assurance that:

- the Company will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due are not credited to the Statement of Comprehensive Income until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Statement of Financial Position as creditors / receipts in advance. When conditions are satisfied, the grant or contribution is credited to the Statement of Comprehensive Income.

Agency Relationship

Where the Company acts as an agent of the Parent Councils, in paying grant monies to schools, these transactions are excluded from the Accounts on the basis that the Company is not making decisions about how the money is spent. The Company is just passporting money based on pre-set criteria, on behalf of a third party. These transactions are reported in the Accounts of the party who ultimately controls the money (i.e. the Councils).

Inventories

The Company recognises all inventories (stock) that have a value over £10,000 as at 31 March. The Company initially recognises inventory when it has control of it and when it expects to have a right to the future economic benefits / service potential. All inventories are measured at the lower of cost or net realisable value. Where there are large numbers of items of inventory that are ordinarily interchangeable, the Company uses the weighted average cost method of stock measurement. The Company held no material inventories at 31st March 2025.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that are readily convertible to known amounts of cash with insignificant risk of change in value (this will exclude fixed term deposits as they are not highly liquid and not readily convertible to cash). In the Statement of Cashflows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand.

<u>Employee Benefits</u>

Benefits payable during employment

Short-term employee benefits are those due to be settled within 12 months of the period-end.

They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees and are recognised as an expense for services in the period in which employees render service to the Company. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the period-end which employees can carry forward into the next financial period. The accrual is made at the salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Statement of Comprehensive Income so that holiday benefits are charged to revenue in the financial period to which they relate.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Company to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy. These are charged on an accruals basis to the Statement of Comprehensive Income when the Company is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, the amount is recognised on an IAS19 basis in the Statement of Comprehensive Income.

Post Employment Benefits (IAS19)

Employees of the Company can be members of four separate pension funds:

- The Teachers' Pension Scheme, administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).
- The National Health Service Pension Scheme, administered by the Department of Health and Social Care (DoHSC)
- The Local Government Pensions Scheme, administered by the London Borough of Wandsworth
- The Local Government Pensions Scheme, administered by the Royal Borough of Kingston upon Thames

All schemes provide defined benefits to members, earned as employees who have worked for the Company. However, the arrangements for the teachers' and NHS scheme mean that liabilities for these benefits cannot ordinarily be identified specifically to the Company. The scheme is therefore accounted for as if it was a defined contribution scheme and no liability for future payments of benefits is recognised in the Statement of Financial Position. The employer's contributions are charged to the Statement of Comprehensive Income for the period.

The Local Government Pension Scheme

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the LB Wandsworth (Richmond) and RB Kingston Pension Fund attributable to the Company are included in the Statement of Financial Position on an actuarial IAS19 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, etc., and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate (based on the indicative rate of return on 20 year gilts adjusted for credit spread).
- The assets of each Pension Fund attributable to the Company are included in the Statement of Financial Position at their fair value:
  - quoted securities – current bid price
  - unquoted securities – professional estimate
  - unitised securities – current bid price
  - property – market value
- The change in the net pensions liability is analysed into the following components:

  Service cost comprising:
  - current service cost – the increase in the present value of a defined benefit obligation (liabilities) resulting from employee service in the current period. – allocated to the Statement of Comprehensive Income
  - past service cost – the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the authority in the number of employees covered by a plan). – debited to the Statement of Comprehensive Income
  - Any gain or loss on settlement – arising when the Company enters into a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan – debited to the Statement of Comprehensive Income

    Net interest on the net defined benefit liability (asset) - the change during the period in the net defined benefit liability (asset) that arises from the passage of time - charged to the Statement of Comprehensive Income

    Re-measurements of the net defined benefit liability (asset) comprising:
  - actuarial gains and losses – changes in the present value of the defined benefit obligation resulting from: a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and b) the effects of changes in actuarial assumptions charged to Other Comprehensive Income for the period
  - the return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset) – charged to Other Comprehensive Income for the period

- Where the changes in net pension lead to a pension asset, the recognition of the asset is limited as per accounting standard IFRIC 14 IAS 19. Under the standard, the asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. Additional liability is recognised where agreed past service contributions give rise to a future surplus which will not be available after they are paid as either a refund or reduction in future contributions.

Discretionary Benefits

The Company has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff, including teachers, are accrued in the period of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Statement of Financial Position when the Company becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Statement of Comprehensive Income for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

Financial Assets

Financial assets are classified into two types:

- loans and receivables – assets that have fixed or determinable payments but are not quoted in an active market
- available-for-sale assets – assets that have a quoted market price and/or do not have fixed or determinable payments. AfC had no available for sale financial instruments in 2024/25..

Loans and Receivables

Loans and receivables are recognised when the Company becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Statement of Comprehensive Income for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans that the Company has made, this means that the amount presented in the Statement of Financial Position is the outstanding principal receivable (plus accrued interest) and interest credited to the Statement of Comprehensive Income is the amount receivable for the period in the loan agreement.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Statement of Comprehensive Income. The impairment loss is measured as the difference between the carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Statement of Comprehensive Income.

Foreign Currency Translation

Where the Company enters into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where amounts in foreign currency are outstanding at the period-end, they are reconverted at the spot exchange rate at 31 March. Resulting gains or losses are recognised in the Statement of Comprehensive Income.

Relationships and Interests in Companies and Other Entities

Achieving for Children is jointly owned by the LB Richmond upon Thames, RB Kingston upon Thames and RB Windsor and Maidenhead. The Company will disclose the proportion of profit / loss and net assets that is attributable to each Council. The parent Councils will in turn consolidate their interest in the Company as part of their group accounts.

Where the Company assesses that its relationship with another entity is classified as a subsidiary, associate, or joint venture it will present its accounts to reflect these interests as follows:

<table>
<tr><th>Subsidiary</th><th>Associates</th><th>Joint Ventures</th></tr>
<tr><td>● Company controls the financial and operating activities of that entity and benefits from this control.</td><td>● Company has significant influence over the operations of another entity.</td><td>● Company has joint control over another entity</td></tr>
<tr><td>● Line by Line consolidation - Where material, the Company will consolidate 100% of all transactions and balances into the Company's Accounts and the Company will present both single entity and group entity accounts.</td><td colspan="2">● Equity Method –
The interest is presented as an investment and adjusted each period for the current share of the net assets and the relevant share of profit or loss will be recognised in the Statement of Comprehensive Income</td></tr>
</table>

Non Current Assets

The Company recognises two categories of non-current asset:

- Tangible - Assets that have physical substance and are held for use in the production or supply of goods or services, or for administrative purposes and that are expected to be used during more than one financial period
- Intangible - Expenditure on non-monetary assets that do not have physical substance but are controlled by the Company as a result of past events (e.g. software licences) are capitalised when it is expected that future economic benefits or service potential will flow to the Company

The Company has set the following de-minimis limits for the recognition of non-current assets:

- Land and buildings - £50,000
- Vehicles, plant and equipment - £10,000
- Intangible assets - £10,000

	Tangible	Intangible
Recognition	Expenditure on the acquisition, creation or enhancement is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. Where an asset consists of various components with different useful lives these are recognised separately.	
Measurement	Assets are initially measured at cost, comprising the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets are then carried in the Statement of Financial Position at fair value, determined as the amount that would be paid for the asset in its existing condition. For non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.	Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held can be determined by reference to an active market. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Reductions in value are written off against relevant balances in the revaluation reserve and then to the Statement of Comprehensive Income.
Depreciation	• Depreciation is provided for on all tangible assets by the systematic allocation of their depreciable amounts over their useful lives. The Company applies the straight line method of depreciation and the useful life is determined by a relevant expert. Depreciation is charged to the Statement of Comprehensive Income each period and writes down the value of the asset on the Statement of Financial Position. A full years depreciation is charged in the period of acquisition.	• The depreciable amount of an intangible asset is amortised over its useful life to the Statement of Comprehensive Income. A full years depreciation is charged in the period of acquisition

Leases IFRS 16

Company as a lessee
For any new contracts entered into the Company considers whether a contract is, or contains, a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- The Company has the right to direct the use of the identified asset throughout the period of use.

The Company assesses whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use. Previous de-minimis levels for recognising Finance Leases are now redundant under the new standard. There are only two exemptions for recognising a lease right-of-use asset. These are:

- If the lease is short-term (12 months or less); and
- Leases of low-value assets (those less than £5,000 in total cost over the lease term). This exemption also applies to individual leases within a similar group.

When using these exemptions, instead of recognising a right-of-use asset and lease liability, the payments in relation to these leases are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Measurement and recognition of leases as a lessee
At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. Any arrangements prior to 1 April 2019 have been assessed and represented using the modified retrospective approach under IFRS 16. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company, through the owning Council’s, also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company’s incremental borrowing rate. The liability will be reduced for payments made each year.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

The Company as a lessor

The Company's accounting policy under IFRS 16 has not changed from the comparative period. Achieving for Children does not have legal title to any non-current assets and as such would not partake in the leasing out of non-current assets.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the Company may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation. Provisions are charged as an expense to the Statement of Comprehensive Income in the period that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position. Estimated settlements are reviewed at the end of each financial period – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Redundancy Costs

The Company provides for redundancy costs at the point that it is demonstrably committed (cannot retract the offer). If a notification of redundancy has been issued before 31 March but the amount has not yet been paid, a liability is recognised in the accounts.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Company a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Company. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the Statement of Financial Position but disclosed in a note to the Accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Company a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in the Statement of Financial Position but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Taxation

Corporation Taxation

The Company is liable to pay Corporation Tax on all taxable profits. Where this applies, the tax will be separately identified on the face of the Statement of Comprehensive Income and profits / losses will be shown gross and net of taxation. Any amounts owed to the HMRC at the period-end will be recognised as a creditor / debtor on the Statement of Financial Position.

Where the Company makes taxable losses / has temporary differences, it will recognise a deferred tax asset on the Statement of Financial Position only where it is probable that the Company will make taxable profits and pay Corporation Tax in the foreseeable future. If taxable profits are not probable the potential deferred tax asset will be recognised as a contingent asset and disclosed within the notes to the Accounts.

Value Added Taxation

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income. The net amount owed or owing to the HMRC at the Statement of Financial Position Date will be recognised as a net creditor / debtor on the Statement of Financial Position.

Post Reporting Date Events

Events after the Statement of Financial Position date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Financial Statements is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Financial Statements are adjusted to reflect such events (an adjusting event).

- those that are indicative of conditions that arose after the reporting period

The Financial Statements are not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect (a non-adjusting event).

Events taking place after the date of authorisation for issue are not reflected in the Financial Statements.

GLOSSARY OF TERMS

ACCRUALS

Amounts charged to the accounts for goods or services received during the period for which payments have not yet been made, and for income due, which has not yet been received.

BALANCE SHEET / STATEMENT OF FINANCIAL POSITION

A statement of the Company's assets and liabilities at the 31 March (Statement of Financial Position date).

CAPITAL EXPENDITURE

Expenditure on the acquisition or enhancement of assets that have a significant value and a useful life beyond one year.

CASH & CASH EQUIVALENTS

Cash is represented by notes and coins held by the Company and deposits available on demand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value e.g. instant access accounts.

COMMUNITY INTEREST COMPANY

A Community Interest Company is a special type of Ltd Company which exists to benefit the community rather than the private shareholders. Its primary objectives are social objectives and any surpluses are reinvested into the organisation.

CREDITORS OR TRADE PAYABLES

Organisations and individuals to whom the Company owes money.

CURRENT ASSETS

These are assets that will become payable to us or could be called upon within the next accounting period (i.e. less than one year). Examples are stock, cash and receivables.

CURRENT LIABILITIES

Those amounts which will become payable or could be called upon in the next accounting period (i.e. less than one year).

DEBTORS or TRADE RECEIVABLES

Organisations and individuals who owe money to the Company.

DEDICATED SCHOOLS GRANT

A ring-fenced, Central Government Grant paid to Councils by the Department for Education to fund education services within the boroughs. A significant proportion is devolved to schools on a formulaic basis.

DEPRECIATION

The writing down of the value of a fixed asset in the Statement of Financial Position in line with its expected useful life.

EMPLOYEE BENEFITS

Salaries, wages, paid annual leave, paid sick leave, pension benefits and termination benefits.

FINANCIAL INSTRUMENTS
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

FINANCE LEASE
Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee.

NON CURRENT ASSETS
These are assets that are likely to be in use by the Company for more than one year, such as property, plant and equipment.

IAS19
Accounting standard requiring the recognition by an authority of the attributable share of the assets and liabilities of pension funds with which it is associated showing the employer's commitment to increase contributions to make up any shortfall in attributable net assets, or its ability to benefit (via reduced contributions) from a surplus in the scheme, even though the fund retains title to the assets and the responsibility to pay pensions.

IFRS 16
Accounting standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

STATEMENT OF COMPREHENSIVE INCOME
A Core Primary Statement that provides a summary of the resources generated and consumed by the Company in the period.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)
The regulations under which the accounts are published. A set of international accounting standards stating how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the International Accounting Standards Board.

INTANGIBLE FIXED ASSETS
Intangible fixed assets that are likely to be in use by the Company for more than one year are recognised where there is no 'physical' asset but the Company controls future economic benefits from the asset. For example computer software.

NET BOOK VALUE
An asset or liabilities original book value net of any accounting adjustments such as depreciation.

NET REALISABLE VALUE
The value of an asset that can be realised upon the sale of the asset, less any costs associated with either the eventual sale or the disposal of the asset in question.

NON EXECUTIVE INDEPENDENT DIRECTORS (NEID)
A member of the board of directors of a company or organisation who does not form part of the executive management team.

OPERATING LEASE
This is a type of lease under which lease rentals are paid for the use of the asset over the period of the lease. The asset remains the legal property of the lessor and has to be returned at the end of the lease.

OUTTURN
This is the final expenditure and income in any financial period. Outturn reports usually compare the final net expenditure (expenditure less income) against the relevant budget.

PROVISIONS
Amounts set aside for liabilities and losses which are likely to occur but where the exact amount or timing is uncertain but can be reasonably estimated.

RIGHT OF USE ASSET
The right-of-use asset recognises a lessee's right to use an asset over the life of a lease. At the termination of a lease, the right-of-use asset and associated lease liability are removed from the books of the lessee.

TANGIBLE NON-CURRENT ASSETS
Tangible fixed assets are ‘physical’ assets that provide future economic benefit and are likely to be in use by the Company for more than one year.

TERMINATION BENEFITS
Amounts payable to employees as a result of a decision by the Company to terminate an officer’s employment prior to normal retirement age or an officers decision to accept voluntary redundancy.

THIRD PARTY PAYMENTS
Items reported under Third Party Payments for management accounts include contract payments made throughout the year. Examples include payments to third parties for independent child placements, Special Education Needs placements and other contract payments.

TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) REGULATIONS 2006 (TUPE)
A part of UK labour law, protecting employees whose business is being transferred to another business. The regulations aim to protect employees' employment and most significant terms and conditions.