

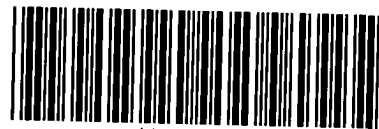
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**HERTS FOR LEARNING LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**HERTS FOR LEARNING LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Rachael Adler Carole Anne Bennett (appointed 2 May 2023) Margaret Catherine Chapman (resigned 6 October 2023) Paula Lee Clarke (resigned 31 July 2023) Catherine Janet Glickman Bethany Jane Honnor Stephen George Hoult-Allen (resigned 31 July 2023) Professor Paul John Layzell Nicholas Ryan Novak (resigned 31 July 2023) Cynthia Eluku Nyamkeh Rowe (resigned 25 November 2023) Hero Slinn Natalie Gilda Wickens Emma Caroline Bradley (appointed 1 October 2023) Tracy Lynn Clements (appointed 27 November 2023) Marcus Louis Adam Cooper (appointed 27 November 2023) Dr Simon Joseph Edward (appointed 1 August 2023) Angela O'Rourke (appointed 27 November 2023)
<b>Company secretary</b>	Lynette Jane Dexter
<b>Registered number</b>	08419581
<b>Registered office</b>	Abel Smith House (1st Floor West) Gunnels Wood Road Stevenage Hertfordshire SG1 2ST
<b>Independent auditor</b>	Hillier Hopkins LLP Chartered Accountants & Statutory Auditor Radius House 51 Clarendon Road Watford Herts WD17 1HP
<b>Solicitors</b>	Forbes Solicitors LLP 4 Wellington Street St Johns Blackburn BB1 8DD

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**HERTS FOR LEARNING LIMITED**

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## HERTS FOR LEARNING LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

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#### Introduction

The principal activity of the Company during the year was the provision of education and business services to schools, academies, Early Years settings and Hertfordshire County Council.

#### Business review

2023-24 was our most challenging financial year to date. Margins in our business are always intentionally lean, given we operate with a not-for-profit ethos, with a focus on delivering low cost and accessible services for our shareholders. However, our revenue fell year-on-year by -£313k, with commissions from HCC reducing and traded sales under pressure which translated to a full reported loss for the year.

The challenges on pay-as-you-use (PAYU) and contract traded services reflected the toughening financial climate across our customer base and highlights the need for our services to evolve.

The operating loss was below expectation at the start of the financial year but was forecast from the middle of the year. The full reported loss reflects some one-off costs that we have incurred as we transition the business to a leaner organisation set up to develop new income streams through partnerships with key organisations.

We are focussed on controlling expenditure and are working to absorb supplier price inflation whilst minimising the price inflation that we pass on to our shareholder customers. We are targeting financial efficiencies across key business processes and, through the year, we made structural changes to deliver a net payroll saving of over £500k in 2024-25.

Meeting our local shareholder customers' needs remains our priority and we are evolving our service offering to meet changing needs in schools and settings. Alongside this, we have added new partnerships from the Multi-Academy Trust and Local Authority customer base which is helping to grow a range of products and services.

Our financial reserves are strong and remain ahead of the Board's target, despite being reduced this year by the full reported loss.

The ever-tightening financial environment in which we operate continues to represent a challenge to our business. Our budget for 2024-25 is intended to deliver a 1% profit margin, balancing our desire to provide low cost, value adding services to shareholders, and our commitment to maintaining a sustainable business model.

#### Principal risks and uncertainties

The principal risks facing the company are financial.

##### Financial risks:

The company is in a favourable position with strong cash reserves, but the tightening financial pressures across our customer base are impacting income streams for the business, particularly for PAYU services such as face-to-face training and events. We are continuing to operate through digital channels which is helping to mitigate inflation, but our cost base is under pressure from inflation being passed on by suppliers. Our Thrive Local and Grow National strategy is providing us with new opportunities to increase our market reach beyond our traditional Hertfordshire customer base.

##### Price risks:

We have reduced the company's exposure to service price risk by agreeing pricing structures with customers, and we seek to keep our prices as low as possible for customers through following competitive procurement processes with our suppliers.

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**HERTS FOR LEARNING LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

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Liquidity risk:

The company's policy is to ensure working capital is managed so as to maintain sufficient cash balances. Our close working relationships with customers assist in this regard, with the majority of our core customers paying for services via Direct Debit arrangements. Our ability to reduce our cost base by introducing a blended digital service offer has enabled us to reduce our business expenditure, to strengthen our working capital position.

Risk relating to government policy:

Government policy has a significant influence on the spending power of our customer base and changing demands for services. We work hard to ensure our services evolve in line with changes in policy and represent good value for money for our customers. The change in government is likely to impact policy and we will closely monitor the impact of that change on our operations. School funding, particularly in the context of rising costs, continues to be a concern and a constraint on our customers' ability to buy our products and services, so we must ensure that we deliver value for money alongside high impact of our services.

**Financial key performance indicators**

We monitor financial performance against a set of KPIs in our monthly management accounts.

**Other key performance indicators**

We monitor the impact of our business through the tracking of the performance of schools and settings in Hertfordshire via a range of measures, including Ofsted outcomes and statutory exam and test results.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
.....A84717C384BFA0Z.....  
**Carole Anne Bennett**  
Director

Date: 19-07-2024 | 09:28 BST

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## HERTS FOR LEARNING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

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

#### Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the 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. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

#### Results and dividends

The loss for the year, after taxation, amounted to £530,986 (2023 - loss £158,626).

No ordinary dividends were paid in the year (2023: £nil).

#### Directors

The directors who served during the year were:

Rachael Adler  
Carole Anne Bennett (appointed 2 May 2023)  
Margaret Catherine Chapman (resigned 6 October 2023)  
Paula Lee Clarke (resigned 31 July 2023)  
Catherine Janet Glickman  
Bethany Jane Honnor  
Stephen George Houlton-Allen (resigned 31 July 2023)  
Professor Paul John Layzell  
Nicholas Ryan Novak (resigned 31 July 2023)  
Cynthia Eluku Nyamkeh Rowe (resigned 25 November 2023)  
Hero Slinn  
Natalie Gilda Wickens  
Emma Caroline Bradley (appointed 1 October 2023)  
Tracy Lynn Clements (appointed 27 November 2023)  
Marcus Louis Adam Cooper (appointed 27 November 2023)  
Dr Simon Joseph Edward (appointed 1 August 2023)

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**HERTS FOR LEARNING LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2024**

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Angela O'Rourke (appointed 27 November 2023)

**Future developments**

The Company has put in place a strategy that will enable the Company to grow and which mitigates the risks prevalent in the education environment. We will continue to focus on our shareholder customers through the 'Thrive Local' strand of that strategy, but will also seek to expand our customer base through the 'Grow National' strand with digital services that can be delivered remotely. We will also be better defining our products and services for the Multi-Academy Trust customer base. Underpinning this strategy, we are improving our internal operations to enable us to continue to deliver first class services.

**Engagement with employees**

During the year the company has systematically provided employees with information on matters of concern to them as employees. Employees or their representatives are consulted on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests and to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditor**

The auditor, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
A84717C384BF407.....  
**Carole Anne Bennett**  
Director

Date: 19-07-2024 | 09:28 BST

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**HERTS FOR LEARNING LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTS FOR LEARNING LIMITED**

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**Opinion**

We have audited the financial statements of Herts for Learning Limited (the 'Company') for the year ended 31 March 2024, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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



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## HERTS FOR LEARNING LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTS FOR LEARNING LIMITED (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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, 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 3, 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.

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## HERTS FOR LEARNING LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTS FOR LEARNING LIMITED (CONTINUED)

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#### **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:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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**HERTS FOR LEARNING LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTS FOR LEARNING LIMITED  
(CONTINUED)**

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**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.

DocuSigned by:

*Alex M Bottom*

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Alexander Bottom ACA (Senior Statutory Auditor)

for and on behalf of  
**Hillier Hopkins LLP**

Chartered Accountants  
Statutory Auditor

Radius House  
51 Clarendon Road  
Watford

Herts

WD17 1HP

Date: 19-07-2024 | 16:23 BST

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**HERTS FOR LEARNING LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2024**

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	Note	2024 £	2023 £
Turnover	4	23,479,560	23,798,637
Cost of sales		(21,098,973)	(20,707,801)
<b>Gross profit</b>		<u>2,380,587</u>	<u>3,090,836</u>
Administrative expenses		(3,073,903)	(3,373,555)
<b>Operating loss</b>		<u>(693,316)</u>	<u>(282,719)</u>
Interest receivable and similar income	8	108,181	25,303
<b>Loss before tax</b>		<u>(585,135)</u>	<u>(257,416)</u>
Tax on loss	9	54,149	98,790
<b>Loss for the financial year</b>		<u><u>(530,986)</u></u>	<u><u>(158,626)</u></u>


The notes on pages 14 to 27 form part of these financial statements.

**HERTS FOR LEARNING LIMITED**  
**REGISTERED NUMBER: 08419581**

**BALANCE SHEET**  
**AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	10	17,083	-
Tangible assets	11	192,752	204,055
		<u>209,835</u>	<u>204,055</u>
<b>Current assets</b>			
Stocks	12	61,209	98,879
Debtors: amounts falling due within one year	13	1,406,272	2,205,973
Cash at bank and in hand	14	3,908,840	5,094,395
		<u>5,376,321</u>	<u>7,399,247</u>
Creditors: amounts falling due within one year	15	<u>(2,429,992)</u>	<u>(3,916,152)</u>
<b>Net current assets</b>		<b>2,946,329</b>	<b>3,483,095</b>
<b>Total assets less current liabilities</b>		<b>3,156,164</b>	<b>3,687,150</b>
<b>Net assets</b>		<b>3,156,164</b>	<b>3,687,150</b>
<b>Capital and reserves</b>			
Called up share capital	17	16,125	16,150
Capital redemption reserve	18	275	250
Profit and loss account	18	3,139,764	3,670,750
		<u>3,156,164</u>	<u>3,687,150</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
A84717C384BF407...  
 .....  
**Carole Anne Bennett**  
 Director

Date: 19-07-2024 | 09:28 BST

The notes on pages 14 to 27 form part of these financial statements.

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**HERTS FOR LEARNING LIMITED**


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


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	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
<b>At 1 April 2022</b>	<b>16,175</b>	<b>225</b>	<b>3,829,376</b>	<b>3,845,776</b>
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(158,626)	(158,626)
Purchase of own shares	-	25	-	25
Shares redeemed during the year	(25)	-	-	(25)
<b>At 1 April 2023</b>	<b>16,150</b>	<b>250</b>	<b>3,670,750</b>	<b>3,687,150</b>
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(530,986)	(530,986)
Purchase of own shares	-	25	-	25
Shares redeemed during the year	(25)	-	-	(25)
<b>At 31 March 2024</b>	<b>16,125</b>	<b>275</b>	<b>3,139,764</b>	<b>3,156,164</b>

The notes on pages 14 to 27 form part of these financial statements.

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**HERTS FOR LEARNING LIMITED**


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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2024**


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	2024 £	2023 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(530,986)	(158,626)
<b>Adjustments for:</b>		
Amortisation of intangible assets	-	14,031
Depreciation of tangible assets	93,425	82,514
Interest received	(108,181)	(25,303)
Taxation charge	(54,149)	(98,790)
Decrease in stocks	37,670	65,740
Decrease/(increase) in debtors	857,578	(502,629)
(Decrease)/increase in creditors	(1,486,160)	673,184
Corporation tax (paid)	(3,704)	(53,206)
<b>Net cash generated from operating activities</b>	<u>(1,194,507)</u>	<u>(3,085)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(19,775)	-
Purchase of tangible fixed assets	(79,429)	(181,420)
Interest received	108,181	25,303
<b>Net cash from investing activities</b>	<u>8,977</u>	<u>(156,117)</u>
<b>Cash flows from financing activities</b>		
Purchase of ordinary shares	(25)	-
<b>Net cash used in financing activities</b>	<u>(25)</u>	<u>-</u>
<b>Net (decrease) in cash and cash equivalents</b>	<u>(1,185,555)</u>	<u>(159,202)</u>
Cash and cash equivalents at beginning of year	5,094,395	5,253,597
<b>Cash and cash equivalents at the end of year</b>	<u>3,908,840</u>	<u>5,094,395</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u>3,908,840</u>	<u>5,094,395</u>

The notes on pages 14 to 27 form part of these financial statements.

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**HERTS FOR LEARNING LIMITED**

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**ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2024**

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	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	<u>5,094,395</u>	<u>(1,185,555)</u>	<u>3,908,840</u>

The notes on pages 14 to 27 form part of these financial statements.



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**HERTS FOR LEARNING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**1. General information**

Herts for Learning Limited is a private company limited by shares incorporated in England and Wales. The registered office is Abel Smith House (1st Floor West) Gunnels Wood Road, Stevenage, Hertfordshire, SG1 2ST.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Going concern**

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for a period of at least 12 months from following the approval of the financial statements. The loss before tax made in the year of £585,135 was sustainable within the reserve position as net assets were £3,147,830 at 31st March 2024.

As a result of this and the cash balance as of year end, the directors are of the opinion that the company can meet the majority of its liabilities as they fall due. The directors have considered the impact of the current economic climate in their going concern assessment.

There can be no certainty in relation to these matters. However, the directors consider it appropriate to prepare the financial statements on the going concern basis.

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HERTS FOR LEARNING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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**2. Accounting policies (continued)**

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

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**HERTS FOR LEARNING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**2. Accounting policies (continued)**

**2.5 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.6 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Digital assets	-	3	years
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**2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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**HERTS FOR LEARNING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**2. Accounting policies (continued)****2.7 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	14%
Computer equipment	-	33%
Other fixed assets	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.8 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.9 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.10 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 highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.11 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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HERTS FOR LEARNING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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2. Accounting policies (continued)

2.12 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**Defined benefit pension scheme**

The Company participates in a multiple employer Defined benefit pension scheme, the Local Government Pension Scheme (LGPS). During the period the terms of the Admission Agreement by which the company joined the scheme were varied and the company has agreed to continue to make a contribution of £225,000 per annum in addition to its normal contributions to the scheme until 31 March 2024 as a payment in lieu of bond regarding the company's share of any deficit arising in the scheme. The terms of the carried Admission Agreement state that through the additional contribution the responsibility for unfunded pension and benefit liabilities that now arise until 31 March 2023 rest with Hertfordshire County Council. As such, the scheme has been accounted for as a defined contribution pension scheme.

At the time of the approval of the financial statements, the post March 2023 position between the company and Hertfordshire County Council had not been finalised and the previous agreement is deemed to be still in place in principle.

2.13 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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**HERTS FOR LEARNING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

**4. Turnover**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Sales	<b>23,479,560</b>	<b>23,798,637</b>
	<u><u>23,479,560</u></u>	<u><u>23,798,637</u></u>

All turnover arose within the United Kingdom.

**5. Auditor's remuneration**

During the year, the Company obtained the following services from the Company's auditor:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's financial statements	<b>13,400</b>	<b>12,500</b>
	<u><u>13,400</u></u>	<u><u>12,500</u></u>

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**HERTS FOR LEARNING LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**


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**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	13,442,448	13,120,628
Social security costs	1,477,790	1,556,615
Pension costs	1,881,334	1,942,154
	<u>16,801,572</u>	<u>16,619,397</u>

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

	2024 No.	2023 No.
Management and administration	44	46
Service Delivery	422	418
	<u>466</u>	<u>464</u>

**7. Directors' remuneration**

	2024 £	2023 £
Directors' emoluments	167,992	170,938
Company contributions to defined contribution pension schemes	14,667	6,000
	<u>182,659</u>	<u>176,938</u>

During the year retirement benefits were accruing to 1 director (2023 - 1) in respect of defined contribution pension schemes.

**8. Interest receivable**

	2024 £	2023 £
Other interest receivable	<u>108,181</u>	<u>25,303</u>

## HERTS FOR LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

## 9. Taxation

	2024 £	2023 £
<b>Corporation tax</b>		
Adjustments in respect of previous periods	-	5,925
<b>Total current tax</b>	<u>-</u>	<u>5,925</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(54,149)	(104,715)
<b>Total deferred tax</b>	<u>(54,149)</u>	<u>(104,715)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(54,149)</u>	<u>(98,790)</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2023 - lower than) the standard rate of corporation tax in the UK of 23.5% (2023 - 19%). The differences are explained below:

	2024 £	2023 £
Loss on ordinary activities before tax	(693,317)	(257,416)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2023 - 19%)	(137,507)	(48,909)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,584	221
Capital allowances for year in excess of depreciation	(2,656)	(5,094)
Adjustments to tax charge in respect of prior periods	-	5,925
Other timing differences leading to an increase (decrease) in taxation	(54,149)	(55,741)
Non-taxable income	25,423	4,808
Special factors affecting joint-ventures and associates leading to an increase (decrease) in the tax charge	109,156	-
<b>Total tax charge for the year</b>	<u>(54,149)</u>	<u>(98,790)</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.



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**HERTS FOR LEARNING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**10. Intangible assets**

	<b>Digital assets £</b>
<b>Cost</b>	
At 1 April 2023	306,066
Additions	19,775
At 31 March 2024	<u>325,841</u>
<b>Amortisation</b>	
At 1 April 2023	306,066
Charge for the year on owned assets	2,692
At 31 March 2024	<u>308,758</u>
<b>Net book value</b>	
At 31 March 2024	<u>17,083</u>
At 31 March 2023	<u><u>-</u></u>

HERTS FOR LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

11. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>				
At 1 April 2023	97,323	314,794	2,886	415,003
Additions	-	79,429	-	79,429
At 31 March 2024	<u>97,323</u>	<u>394,223</u>	<u>2,886</u>	<u>494,432</u>
<b>Depreciation</b>				
At 1 April 2023	5,793	204,335	820	210,948
Charge for the year on owned assets	13,921	75,841	970	90,732
At 31 March 2024	<u>19,714</u>	<u>280,176</u>	<u>1,790</u>	<u>301,680</u>
<b>Net book value</b>				
At 31 March 2024	<u>77,609</u>	<u>114,047</u>	<u>1,096</u>	<u>192,752</u>
At 31 March 2023	<u>91,530</u>	<u>110,459</u>	<u>2,066</u>	<u>204,055</u>

12. Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>61,209</u>	<u>98,879</u>

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**HERTS FOR LEARNING LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**


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**13. Debtors**

	2024 £	2023 £
Trade debtors	801,877	907,553
Other debtors	4,425	721
Prepayments and accrued income	461,084	1,212,962
Deferred taxation	138,886	84,737
	<u>1,406,272</u>	<u>2,205,973</u>

**14. Cash and cash equivalents**

	2024 £	2023 £
Cash at bank and in hand	3,908,840	5,094,395
	<u>3,908,840</u>	<u>5,094,395</u>

**15. Creditors: Amounts falling due within one year**

	2024 £	2023 £
Trade creditors	505,545	1,494,939
Other taxation and social security	757,389	948,835
Other creditors	189,676	189,852
Accruals and deferred income	977,382	1,282,526
	<u>2,429,992</u>	<u>3,916,152</u>

HERTS FOR LEARNING LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

16. Deferred taxation

	2024 £
At beginning of year	84,737
Charged to profit or loss	54,149
<b>At end of year</b>	<b>138,886</b>

The deferred tax asset is made up as follows:

	2024 £	2023 £
Accelerated capital allowances	(48,188)	(28,131)
Tax losses carried forward	146,284	70,766
Unpaid pension creditor	40,790	42,102
	<b>138,886</b>	<b>84,737</b>

17. Share capital

	2024 £	2023 £
<b>Allotted, called up and fully paid</b>		
126 (2023 - 126) Ordinary A shares of £25 each shares of £25.00 each	3,150	3,150
80 (2023 - 81) Ordinary B shares of £25 each shares of £25.00 each	2,000	2,025
413 (2023 - 413) Ordinary C shares of £25 each shares of £25.00 each	10,325	10,325
26 (2023 - 26) Ordinary D shares of £25 each shares of £25.00 each	650	650
	<b>16,125</b>	<b>16,150</b>

18. Reserves

**Capital redemption reserve**

This reserve records the nominal value of shares repurchased by the Company.

**Profit and loss account**

This reserve records the amount of profit after tax retained by the Company and not paid out as dividends.

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**HERTS FOR LEARNING LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**


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**19. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund.

Contributions totaling £103,146 (2023 - £90,420) were payable to the fund at the balance sheet date and are included in creditors.

The Company participates in a multiple employer Defined Benefit Pension Scheme, the Local Government Pension Scheme (LGPS). During the period the terms of the Admission Agreement by which the company joined the scheme were varied and the company has agreed to continue to make a contribution of £225,000 per annum in addition to its normal contributions to the scheme until 31 March 2024 as a payment in lieu of bond regarding the company's share of any deficit arising in the scheme. The terms of the carried Admission Agreement state that through the additional contribution the responsibility for unfunded pension and benefit liabilities that now arise until 31 March 2024 rest with Hertfordshire County Council. As such, the scheme has been accounted for as a defined contribution pension scheme.

At the time of the approval of the financial statements, an agreement on the post March 2023 position between the company and Hertfordshire County Council had not been finalised and the previous agreement is deemed to be still in place in principle.

**20. Commitments under operating leases**

At 31 March 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>2024</b>	<b>2023</b>
	£	£
Not later than 1 year	<b>210,964</b>	<b>351,805</b>
Later than 1 year and not later than 5 years	<b>119,913</b>	-
Later than 5 years	<b>358,776</b>	-
	<u><b>210,964</b></u>	<u><b>351,805</b></u>

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**HERTS FOR LEARNING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**21. Related party transactions**

Remuneration of key management personnel is as follow:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<b>462,527</b>	<b>497,658</b>

**Transactions with related parties**

During the year the Company entered into transactions in the normal course of business with schools and other establishments which hold minority interest shareholdings in the Company.

During the period, the Company entered into the following transactions with Hertfordshire County Council which owned 19.5% of the issued share capital of the Company at the period end.

Purchases of £516,211 (2023: £392,225) were made by the Company from Hertfordshire County Council for the supply of support services and IT services for resale to schools of which £817 (2023: £1,600) has been accrued for at the year end. At the year end the Company owed £37,197 (2023: £47,198) in respect of these purchases.

Sales of £5,814,779 (2023: £6,399,337) were made to Hertfordshire County Council for the provision of school improvement services, excluding £59,056 (2023: £113,241) which has been included in deferred income at the year end. At the year-end date £38,053 (2023: £115,735) was owed by Hertfordshire County Council in respect of these sales.

**22. Controlling party**

The directors are of the opinion there is no single controlling party.