Registered number: 08419581

HERTS FOR LEARNING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

HERTS FOR LEARNING LIMITED

COMPANY INFORMATION

Directors	Rachael Adler Carole Anne Bennett Emma Caroline Bradley (resigned 25 August 2025) Tracy Lynn Clements Marcus Louis Adam Cooper (resigned 18 July 2025) Dr Simon Joseph Edward Hay Bethany Jane Honnor (resigned 27 March 2026) Professor Paul John Layzell Angela O'Rourke Hero Slinn (resigned 31 March 2026) Hilary Frances Clifford Elizabeth Jane Edwards Allen Charles Talbot Hazel Clare Leslie (appointed 3 November 2025) Anthony John Fitzpatrick (appointed 1 April 2026) Robin James Newman (appointed 1 April 2026)
Company secretary	Lynette Jane Dexter
Registered number	08419581
Registered office	Bank House (Ground Floor North) Primett Road Stevenage Hertfordshire SG1 3EE
Independent auditor	Hillier Hopkins LLP Chartered Accountants & Statutory Auditor Radius House 51 Clarendon Road Watford Herts WD17 1HP
Solicitors	Forbes Solicitors LLP 4 Wellington Street St Johns Blackburn BB1 8DD

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STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2026

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

We are pleased to report a strong profit for the 2025-26 financial year, demonstrating the Company's resilience and ability to operate sustainably in a challenging financial climate. The profit was slightly ahead of budget and builds well on the previous financial year.

The financial pressures continued to intensify across our customer base in 2025-26, putting our income lines under pressure. After a difficult summer term 2025 of trading, income responded well over the Autumn term 2025 and Spring term 2026 and overall, income was in line with budget. All schools in Hertfordshire continue to trade with us, but the level of average spend is being impacted. We have offset some of the reductions in spend by continuing to expand our customer base outside Hertfordshire and have increased sales based on strong relationships with specific out-of-county customers. We continue to develop these key relationships to increase income.

A focus on cost control has enabled us to deliver significant savings in 2025-26, and further savings will be delivered from these changes into 2026-27. The savings have not impacted on service delivery and have been focussed on right-sizing the infrastructure of the business. This has included changes to key business systems and internal processes.

We are working hard to match our service offer to the changing needs of our customers, and to ensure that we are delivering services as efficiently as possible. The above savings programmes have enabled us to minimise price inflation for the new 2026-27 financial year as we strive to ensure that our services remain accessible to our customers.

We believe that our balance sheet remains in a healthy position, which puts us in a strong position to tackle further anticipated challenges. Together with our efficiency programmes, we are confident that we are well placed to deliver a budget for 2026-27 that is again targeting a 1% profit margin.

Principal risks and uncertainties

The principal risks facing the company are financial.

<u>Financial risks:</u>
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 our Reach and Impact strategy is providing us with new opportunities to increase our market reach beyond our traditional Hertfordshire customer base.

<u>Price risks:</u>
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.

Liquidity risk:
The company's policy is to ensure working capital is managed to maintain sufficient cash balances. Our close working relationships with customers assist in this regard, with most 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. A specific and imminent risk relates to the Local Government Reorganisation work in Hertfordshire, which will see a small number of unitary authorities replace the current two-tier system. This will mean that, where Herts for Learning currently contracts with Hertfordshire County Council as a single body, contractual arrangements from 2029 onwards will need to be worked up with each of the new unitary authorities. We are already planning for several eventualities to ensure we are well prepared to respond to this change.

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:
Carole Bennett
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Carole Anne Bennett
Director

Date: 10-07-2026

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The directors present their report and the financial statements for the year ended 31 March 2026.

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 profit for the year, after taxation, amounted to £756,652 *(2025 - £184,122)*.

No ordinary dividends were paid in the year (2025: £nil).

Directors

The directors who served during the year were:

Rachael Adler
Carole Anne Bennett
Emma Caroline Bradley (resigned 25 August 2025)
Tracy Lynn Clements
Marcus Louis Adam Cooper (resigned 18 July 2025)
Dr Simon Joseph Edward Hay
Bethany Jane Honnor (resigned 27 March 2026)
Professor Paul John Layzell
Angela O'Rourke
Hero Slinn (resigned 31 March 2026)
Hilary Frances Clifford
Elizabeth Jane Edwards
Allen Charles Talbot
Hazel Clare Leslie (appointed 3 November 2025)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

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 considered 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.

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:

Carole Bennett

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Carole Anne Bennett
Director

Date: 10-07-2026

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

Opinion

We have audited the financial statements of Herts for Learning Limited (the 'Company') for the year ended 31 March 2026, which comprise the Statement of Comprehensive Income, 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 2026 and of its profit 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.

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

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.

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

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.

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

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. 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.

Signed 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: 10-07-2026

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
Turnover	4	**23,256,560**	*23,240,621*
Cost of sales		**(19,907,360)**	*(20,478,343)*
Gross profit		**3,349,200**	*2,762,278*
Administrative expenses		**(2,613,536)**	*(2,626,284)*
Operating profit		**735,664**	*135,994*
Interest receivable and similar income	9	**131,864**	*120,798*
Profit before tax		**867,528**	*256,792*
Tax on profit	10	**(110,876)**	*(72,670)*
Profit for the financial year		**756,652**	*184,122*

There was no other comprehensive income for 2026 (2025:£NIL).

The notes on pages 14 to 28 form part of these financial statements.

HERTS FOR LEARNING LIMITED
REGISTERED NUMBER: 08419581

BALANCE SHEET
AS AT 31 MARCH 2026

	Note		2026 £		2025 £
Fixed assets					
Intangible assets	11		**3,900**		*10,492*
Tangible assets	12		**134,117**		*171,045*
			138,017		*181,537*
Current assets					
Stocks	13	**12,057**		*24,708*	
Debtors: amounts falling due within one year	14	**2,650,529**		*1,417,289*	
Cash at bank and in hand	15	**4,773,345**		*3,863,695*	
		7,435,931		*5,305,692*	
Creditors: amounts falling due within one year	16	**(3,455,740)**		*(2,146,918)*	
Net current assets			**3,980,191**		*3,158,774*
Total assets less current liabilities			**4,118,208**		*3,340,311*
Provisions for liabilities					
Deferred tax	17		**(21,245)**		-
Net assets			**4,096,963**		*3,340,311*
Capital and reserves					
Called up share capital	18		**16,075**		*16,075*
Capital redemption reserve	19		**350**		*350*
Profit and loss account	19		**4,080,538**		*3,323,886*
			4,096,963		*3,340,311*

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

DocuSigned by:
Carole Bennett
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Carole Anne Bennett
Director

Date: 10-07-2026

The notes on pages 14 to 28 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2024	**16,125**	**275**	**3,139,764**	**3,156,164**
Comprehensive income for the year				
Profit for the year	**-**	**-**	**184,122**	**184,122**
Contributions by and distributions to owners				
Purchase of own shares	**-**	**75**	**-**	**75**
Shares issued during the year	**25**	**-**	**-**	**25**
Shares redeemed during the year	**(75)**	**-**	**-**	**(75)**
At 1 April 2025	**16,075**	**350**	**3,323,886**	**3,340,311**
Comprehensive income for the year				
Profit for the year	**-**	**-**	**756,652**	**756,652**
At 31 March 2026	**16,075**	**350**	**4,080,538**	**4,096,963**

The notes on pages 14 to 28 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	2026 £	2025 £
Cash flows from operating activities		
Profit for the financial year	**756,652**	*184,122*
Adjustments for:		
Depreciation of tangible assets	**87,927**	*101,256*
Loss on disposal of tangible assets	**21,974**	*-*
Interest received	**(131,864)**	*(120,798)*
Taxation charge	**110,876**	*72,670*
Decrease in stocks	**12,651**	*36,501*
(Increase) in debtors	**(1,299,456)**	*(83,613)*
Increase/(decrease) in creditors	**1,285,406**	*(283,074)*
Net cash generated from operating activities	**844,166**	*(92,936)*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(66,380)**	*(72,957)*
Interest received	**131,864**	*120,798*
Net cash from investing activities	**65,484**	*47,841*
Cash flows from financing activities		
Issue of ordinary shares	**-**	*25*
Purchase of ordinary shares	**-**	*(75)*
Net cash used in financing activities	**-**	*(50)*
Net increase/(decrease) in cash and cash equivalents	**909,650**	*(45,145)*
Cash and cash equivalents at beginning of year	**3,863,695**	*3,908,840*
Cash and cash equivalents at the end of year	**4,773,345**	*3,863,695*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**4,773,345**	*3,863,695*

The notes on pages 14 to 28 form part of these financial statements.

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2026

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	**3,863,695**	**909,650**	**4,773,345**

The notes on pages 14 to 28 form part of these financial statements.

1. General information

Herts for Learning Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bank House (Ground Floor), Primett Road, Stevenage, Hertfordshire, SG1 3EE.

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 profit before tax made in the year of £867,528 is sustainable within the reserve position as net assets were £4,087,032 at 31st March 2026.

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.

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2. Accounting policies (continued)

2.4 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.

2.5 Interest income

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

2. Accounting policies (continued)

2.6 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.

2.7 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

2.8 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.

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2. Accounting policies (continued)

2.13 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).

The terms of the Admission Agreement provide that Hertfordshire County Council (HCC) is responsible for any funding deficit arising during the period of participation. As a result, the company is not exposed to the underlying actuarial risks associated with the scheme and it is accounted for as a defined contribution scheme.

The Admission Agreement expired on 31 March 2024. At the time of the approval of the financial statements, a new Admission Agreement has not yet been formally executed, however the Company has received confirmation that the terms of the new agreement will remain broadly consistent with the previous agreement, except the contribution rate will be variable and will be reassessed at each triennial valuation, and admission will remove the requirement for 'the contribution in lieu of bond'. For the next 3 years (1 April 2026 to 31 March 2029) the employer contribution rate has been set at 0%.

2.14 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.

2.15 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.

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

	2026 £	*2025* *£*
Sales	**23,256,560**	*23,240,621*

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2026 £	*2025* *£*
Exchange differences	**75**	*-*

6. Auditor's remuneration

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

	2026 £	*2025* *£*
Fees payable to the Company's auditor for the audit of the Company's financial statements	**19,700**	*14,000*

7. Employees

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

	2026 £	*2025 £*
Wages and salaries	**12,213,768**	*13,379,179*
Social security costs	**1,617,985**	*1,437,027*
Pension costs	**1,501,761**	*1,585,007*
	15,333,514	*16,401,213*

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

	2026 No.	*2025 No.*
Management and administration	**45**	*42*
Service Delivery	**379**	*400*
	424	*442*

8. Directors' remuneration

	2026 £	*2025 £*
Directors' emoluments	**190,500**	*186,765*
Company contributions to defined contribution pension schemes	**16,810**	*16,480*
	207,310	*203,245*

During the year retirement benefits were accruing to 1 director *(2025 - 1)* in respect of defined contribution pension schemes.

9. Interest receivable

	2026 £	*2025 £*
Other interest receivable	**131,864**	*120,798*

10. Taxation

	2026 £	2025 £
Corporation tax		
Current tax on profits for the year	**23,415**	-
Total current tax	**23,415**	-
Deferred tax		
Origination and reversal of timing differences	**87,461**	*72,670*
Total deferred tax	**87,461**	*72,670*
Tax on profit	**110,876**	*72,670*

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2025 - lower than)* the standard rate of corporation tax in the UK of 25% *(2025 - 25%)*. The differences are explained below:

	2026 £	2025 £
Profit on ordinary activities before tax	**867,528**	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2025 - 25%)	**216,882**	*64,198*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**(2,542)**	*(5,341)*
Capital allowances for year in excess of depreciation	**-**	*5,427*
Utilisation of tax losses	**(100,922)**	*(64,284)*
Other timing differences leading to an increase (decrease) in taxation	**-**	*72,670*
Marginal relief	**(2,542)**	-
Total tax charge for the year	**110,876**	*72,670*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Intangible assets

	Digital assets £
Cost	
At 1 April 2025	**325,841**
At 31 March 2026	**325,841**
Amortisation	
At 1 April 2025	**315,349**
Charge for the year on owned assets	**6,592**
At 31 March 2026	**321,941**
Net book value	
At 31 March 2026	**3,900**
At 31 March 2025	*10,492*

12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At 1 April 2025	**97,323**	**467,180**	**2,886**	**567,389**
Additions	**28,645**	**37,735**	**-**	**66,380**
Disposals	**(36,176)**	**-**	**-**	**(36,176)**
At 31 March 2026	**89,792**	**504,915**	**2,886**	**597,593**
Depreciation				
At 1 April 2025	**33,614**	**359,993**	**2,737**	**396,344**
Charge for the year on owned assets	**12,286**	**68,899**	**149**	**81,334**
Disposals	**(14,202)**	**-**	**-**	**(14,202)**
At 31 March 2026	**31,698**	**428,892**	**2,886**	**463,476**
Net book value				
At 31 March 2026	**58,094**	**76,023**	**-**	**134,117**
At 31 March 2025	*63,709*	*107,187*	*149*	*171,045*

13. Stocks

	2026 £	*2025 £*
Finished goods and goods for resale	**12,057**	*24,708*

14. Debtors

	2026	*2025*
	£	*£*
Trade debtors	**942,785**	*657,558*
Other debtors	**2,927**	*4,286*
Prepayments and accrued income	**1,704,817**	*689,229*
Deferred taxation	**-**	*66,216*
	2,650,529	*1,417,289*

15. Cash and cash equivalents

	2026	*2025*
	£	*£*
Cash at bank and in hand	**4,773,345**	*3,863,695*

16. Creditors: Amounts falling due within one year

	2026	*2025*
	£	*£*
Trade creditors	**2,002,916**	*365,488*
Corporation tax	**23,415**	*-*
Other taxation and social security	**411,713**	*705,594*
Other creditors	**49,136**	*158,983*
Accruals and deferred income	**968,560**	*916,853*
	3,455,740	*2,146,918*

17. Deferred taxation

	2026 £	2025 £
At beginning of year	**66,216**	*138,886*
Charged to profit or loss	**(87,461)**	*(72,670)*
At end of year	**(21,245)**	*66,216*

The deferred taxation balance is made up as follows:

	2026 £	2025 £
Accelerated capital allowances	**(33,529)**	*(42,761)*
Tax losses carried forward	**-**	*75,457*
Unpaid pension creditor	**12,284**	*33,520*
	(21,245)	*66,216*

18. Share capital

	2026 £	2025 £
Allotted, called up and fully paid		
126 *(2025 - 126)* Ordinary A shares of £25 each shares of £25.00 each	**3,150**	*3,150*
80 *(2025 - 80)* Ordinary B shares of £25 each shares of £25.00 each	**2,000**	*2,000*
411 *(2025 - 411)* Ordinary C shares of £25 each shares of £25.00 each	**10,275**	*10,275*
26 *(2025 - 26)* Ordinary D shares of £25 each shares of £25.00 each	**650**	*650*
	16,075	*16,075*

19. 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.

20. 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 £25,600 (2025 - £102,184) were payable to the fund at the balance sheet date and are included in creditors.

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21. Commitments under operating leases

At 31 March 2026 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2026 **£**	*2025* *£*
Not later than 1 year	**76,840**	*75,075*
Later than 1 year and not later than 5 years	**76,840**	*152,079*
Later than 5 years	**165,418**	-
	319,098	*227,154*

22. Related party transactions

Remuneration of key management personnel is as follow:

	2026	*2025*
	£	*£*
Aggregate compensation	**500,132**	*475,943*

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 £101,753 (2025: £436,32) were made by the Company from Hertfordshire County Council for the supply of support services, no accruals were necessary at the period end (2025: £12,274). At the year end the Company owed £19,265 (2025: £30,260) in respect of these purchases.

Sales of £5,727,495 (2025: £5,616,523) were made to Hertfordshire County Council for the provision of school improvement services, excluding £183,159 (2025: £62,031) which has been included in deferred income at the year end. At the year-end date £45,681 (2025: £98,088) was owed by Hertfordshire County Council in respect of these sales.

23. Controlling party

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