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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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<b>Members</b>	R N Barrett (appointed 21 July 2016) S M Jarvis (appointed 17 October 2016) G W Lane (appointed 21 July 2016) A Simmons (appointed 21 July 2016) Herts for Learning Limited (appointed 21 July 2016)
<b>Trustees</b>	J E Paine, Chair (appointed 21 July 2016) <sup>1</sup> G W Lane, Vice Chair (appointed 21 July 2016) <sup>1</sup> A L Thomas, Chief Executive Officer (appointed 4 September 2017) T J Bailey (appointed 17 October 2016) <sup>1</sup> J D Foy (appointed 17 October 2016) <sup>1</sup> S G Hall (appointed 17 October 2016) <sup>1,2</sup> P J Martin (appointed 17 October 2016) <sup>1,2</sup> P J McAteer (appointed 21 July 2016) <sup>1,2</sup> J M Shepard (appointed 17 October 2016) <sup>1</sup> A Simmons (appointed 21 July 2016) <sup>1,2</sup>  1 Finance, Audit and Risk Committee 2 Human Resources Committee
<b>Company registered number</b>	10290954
<b>Company name</b>	Herts for Learning Multi Academy Trust
<b>Principal and registered office</b>	Robertson House SROB 218 Six Hills Way Stevenage Hertfordshire SG1 2FQ
<b>Company secretary</b>	J D Goodhall
<b>Chief executive officer</b>	A L Thomas
<b>Independent auditors</b>	Hillier Hopkins LLP Chartered Accountants Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP
<b>Bankers</b>	Lloyds PLC 3 Town Square Stevenage SG1 1BG

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**REFERENCE AND ADMINISTRATIVE DETAILS (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**Advisers (continued)**

**Solicitors**

Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 21 July 2016 to 31 August 2017. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

There were no academies within the Trust in the accounting period 21 July 2016 to 31 August 2017.

**Structure, governance and management**

**CONSTITUTION**

The multi academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Herts for Learning Multi Academy Trust (HfL MAT) are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the period are included in the Reference and administrative details on page 1.

**MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

**TRUSTEES' INDEMNITIES**

There are no qualifying third party indemnity provisions in respect of Trustees, other than Trustees' and Officers' insurance which is provided by the DfE's Risk Protection Arrangement (RPA) for academies.

**METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

Trustees are appointed, elected or co-opted under the terms of the Trust deed (Articles paragraphs 46 to 49 and 57).

The Board currently consists of nine Trustees appointed as outlined under paragraph 46, with the CEO also acting as a Trustee. Three further posts will be offered as elected posts for representatives from the T Governing Boards in 2018. The election procedure will be agreed by Trustees, Members and the Sponsor in December 2017. Any further potential Trustees would be identified to ensure that the skills and experience they brought would be complementary to those of existing Board members.

**POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

The initial nine Trustees undertook induction according to their experience and skills in autumn 2016. The Trust Board will be adopting a new comprehensive induction programme for new Trustees proposed by the Board's HR Committee to the Board of Trustees in December 2017. Induction for all Trustees depends on their existing experience and is tailored accordingly. Following a skills audit in November 2017, a training plan will be put in place to address any gaps identified. Appropriate ongoing training is also available as necessary.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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## **ORGANISATIONAL STRUCTURE**

The governance structure of the Trust consist of Members, Trustees, the Executive team and the Academy Governing Boards (AGBs).

The Members are the guardians of the Trust's constitution, determining the principles of the Trust's governance structure and providing oversight and challenge of the Trustees to ensure the charitable object of the Trust is being fulfilled.

The Trustees oversee the management and administration of the Trust and the Academies run by the Trust. The Board of Trustees has three core functions:

- Ensuring clarity of vision, ethos and strategic direction;
- Holding executive leaders to account for the educational performance of the Trust and its pupils, and the performance management of staff; and
- Overseeing the financial performance of the Trust and making sure its money is well spent.

The Chief Executive Officer (CEO) is the Accounting Officer for the Trust. The central team for the Trust currently consists of the CEO supported by a part time Chief Finance Officer (CFO), Academy Improvement Lead and Company Secretary/Policy Officer. Additional services are procured depending on need.

Academy Governing Boards are local governing bodies with new functions and different delegated responsibilities and accountabilities. Their role is to steer, challenge and support the leadership, contribute to the success of their academy and to recommend and contribute to the work of the Trust thereby benefitting all academies across the Trust.

A comprehensive scheme of delegation outlines the decisions reserved for the Board of Trustees and those that are delegated to the Executive, along with those delegated to Academy Governing Boards. The Scheme of Delegation is published on the Trust's website: <http://www.hflmat.co.uk/joining-the-hfl-mat/scheme-of-delegation/>

## **PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

The position of Trustee in the HfL MAT is not remunerated. The pay and remuneration of the CEO is determined by the Board of Trustees, following an annual review of pay and performance by an experienced and trained panel, currently made up of the Chair of the Board, Vice-chair of the Board and the Chair of the HR Committee. An independent advisor to the panel is also planned for in the review process.

The HR Committee also has the following responsibilities outlined in the terms of reference for the Committee:

- To oversee the development of, and agree, a written pay policy for recommendation to the Board, which will attract and retain talent, achieve the Trust's long-term goals and decide what form the remuneration takes and to monitor this policy
- To monitor and review pay awards across the Trust for recommendation to the Board annually, ensuring they remain in line with expectations in terms of the Pay Policy
- To make recommendations to the Board on the remuneration and terms and conditions of employment of executive directors/identified management posts in the light of affordability and related benchmarking data
- To receive and propose to the Board recommendations from academy headteachers relating to the pay of all members of staff outside the guidelines of the Pay Policy
- To monitor additional payments awarded by academy headteachers (after agreement with the Chief Executive Officer) outside the set budget parameters.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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The Chief Executive Officer determines the pay and remuneration of management posts and other staff in consultation with the Trustees, taking into account a variety of contributing factors including responsibilities, market sector and performance against agreed objectives.

**CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

Owing to the nature of the Trust and the composition of the board of Trustees being drawn from local and public and private sector organisations, including Hertfordshire County Council and schools based in Hertfordshire, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations which take account of the Trust's legal obligations.

The founding sponsor of the Trust is Herts for Learning Limited, a company owned by Hertfordshire County Council (20%) and its member schools (80%) and operated on a "not for profit" basis providing school improvement and education services to schools within Hertfordshire and beyond. The Trust is a co-owner of Herts for Learning Limited and the Trust's academies participate in the strategic oversight of the business of Herts for Learning Limited.

Up until 31 August 2017 Herts for Learning Limited provided staff time to set up the Trust at its own cost i.e. from within its own resources. Certain third party costs incurred by Herts for Learning Limited were reimbursed by the Trust from grant funding received from the Secretary of State for Education (e.g. grants for academy conversion and regional growth funds). These third party costs include legal, finance and project management services.

**Objectives and Activities**

**OBJECTS AND AIMS**

**Objects**

The Trust's Articles outline the Object of the Trust as follows:

to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the Mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the Alternative Provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").

**Objective**

The Trust's primary objective is to benefit and add value for every child, member of staff and our wider community. Details of how we intend to do this can be found on the 'Our Objectives' page of our website <http://www.hflmat.co.uk/our-approach/our-objectives/>

**Vision and Aim**

The Trust's vision is to be one of the highest performing and constantly improving Trusts in the country with capacity and capability to support others for the benefit of all children.

We aim to achieve our vision by bringing together a range of unique schools, each with their own ethos, strengths and areas for development to work together, learn together and succeed together in achieving the very best outcomes for every single child in every single academy.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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*'Work together, learn together, succeed together'*

**OBJECTIVES, STRATEGIES AND ACTIVITIES**

The main objective for the year 2016/2017 was to establish the Trust and prepare for the first schools joining the Trust in September 2017. This involved building the infrastructure and carrying out due diligence on those schools applying to join the Trust. The Trust was established in July 2016 and approved by the DfE to sponsor schools in December 2016. The first wave of schools joined us in September 2017, with further waves anticipated in the next two to three academic years.

Systems, structures, policies and procedures have all been created ready for the first wave of schools. The CEO was recruited in April 2017 and joined the Trust on 1 September 2017. An interim CEO was in place until that point, managing the development of the necessary infrastructure.

The Board of Trustees and Executive are now putting in place criteria and measures of success for the first full year of operation of the Trust with schools, 2017/18.

**PUBLIC BENEFIT**

The Board confirms that the Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**Strategic report**

**Achievements and performance**

**KEY PERFORMANCE INDICATORS**

The Trust's first schools joined in September 2017, therefore the performance of those schools does not come under the remit of the Trust's report for 2016/17.

The Trust Board will agree the Trust's KPIs at their meeting in December 2017; the performance against these KPIs will be reported in the Trust's annual report for 2017/18. The KPIs will include indicators relating to key stage outcomes, external evaluation (eg Ofsted), absence, narrowing the gap, safeguarding, employees and finance.

**GOING CONCERN**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the HfL MAT has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies..

**Financial review**

**RESERVES POLICY**

A proposal for a reserves policy will be presented to the Finance Audit and Risk Committee at their January 2018 meeting. This proposal will consider the nature of income and expenditure streams and the likely need for contingencies, capital expenditure and working capital for the schools across the Trust.



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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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## **MATERIAL INVESTMENTS POLICY**

The Trust does not hold any long term investments. Any cash surpluses are placed on deposit with the Trust's bank.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees currently consider the following risks to be the most important four facing the Trust at this stage in its development:

<b>Risk</b>	<b>Mitigation</b>
1. School funding climate, balance of school finances (Schools wishing to join are not financially healthy)	<ul style="list-style-type: none"><li>▪ Conduct robust financial due diligence on schools applying to join the Trust</li><li>▪ Support existing academies to be financially strong and to improve/maintain the quality of education to improve/retain pupil numbers</li></ul>
2. Cash flow whilst the Trust builds up the number of schools	<ul style="list-style-type: none"><li>▪ Maintain a steady number of schools joining the Trust to achieve sufficient pupil numbers for economies of scale and central staffing</li><li>▪ Ensure central costs are kept to a minimum through outsourcing and review of contracts and commitments</li></ul>
3. Future increases in the costs of funding the Teachers' Pension Scheme and the local Government Pension Scheme	<ul style="list-style-type: none"><li>▪ Develop a reserves policy and factor potential contribution increase into proposed levels</li><li>▪ Liaise with the pension schemes to understand and plan for potential increases</li></ul>
4. DfE approval for further schools joining impacts on financial model and growth plans	<ul style="list-style-type: none"><li>▪ Continue ongoing dialogue with the RSC to promote the Trust</li><li>▪ Work with Wave 1 schools to show difference MAT is making in early stages</li></ul>

## **Plans for future periods**

## **FUTURE DEVELOPMENTS**

The Trust's role is to create the climate for all schools to thrive, investing in a broad and balanced curriculum and assessment framework with associated professional development that will bring about the best teaching and facilitate the greatest learning so that every child achieves their potential. A key priority of our tracking is monitoring the performance of disadvantaged children and driving the conditions for improved social mobility.

The Trust is currently at a very early stage in its development. In September 2017 the first six schools joined the Trust and a further three are expected to join in January 2018. The Trust is aiming for a total pupil number of 4,000 by September 2018 in order to provide the best structure to support its schools and pupils and enable economies of scale to be delivered. The Board will ensure that the addition of further schools will only be agreed if this benefits the Trust and its member schools and pupils.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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if this benefits the Trust and its member schools and pupils.

**FUNDS HELD AS CUSTODIAN**

The Trust does not act as custodian trustee on behalf of any others.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2017 and signed on its behalf by:



J E Paine  
Chair of Trustees

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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As trustees, we acknowledge we have overall responsibility for ensuring that the Herts for Learning Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Herts for Learning Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J E Paine, Chair	6	6
G W Lane, Vice Chair	5	6
T J Bailey	5	5
J D Foy	4	5
S G Hall	5	5
P J Martin	5	5
P J McAteer	6	6
J M Shepard	3	5
A Simmons	3	6

The first meeting of the Board in September 2016 consisted of three of the four founding Trustees; they were joined in the October meeting by the additional five Trustees, formally appointed at that meeting. These nine Trustees formed the Board for the remainder of the financial year.

The work of the Board during this initial set up phase included:

- acknowledgement of incorporation details, Trustee induction, Board development
- governance, scheme of delegation, committee establishment (including terms of reference), role of local governing boards
- sponsor and funding applications
- strategic planning, growth strategy, Trust structure, appointment of interim staff/consultants, project management
- due diligence for schools joining the Trust
- legal matters
- communications, website and branding
- trust policies and procedures

**Finance, Audit and Risk Committee**

The Finance, Audit and Risk Committee is a sub-committee of the main Board of Trustees and was established in December 2016. Its purpose is to advise the Board of Trustees on the Trust's assurance framework and the provision of the opinion in the annual accounts. The Committee will also deal with such other financial or audit

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**GOVERNANCE STATEMENT (continued)**

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matters as may from time to time be referred to the Committee for consideration or approval. The Committee's main responsibilities are to:

- consider and advise the Board of Trustees on all aspects of the Trust's finances, financial policies, financial regulations, controls and strategy
- consider and advise the Board of Trustees on the adequacy and effectiveness of the Trust's audit arrangements, framework of governance, risk management and control and processes for the effective and efficient use of resources, the solvency of the Trust and the safeguarding of its assets

The work of the Committee in this period included:

- financial planning and modelling, including top slice
- development of the risk register
- service procurement, including banking, auditors, insurance, legal
- pensions
- finance aspects of the scheme of delegation
- school budgets for schools joining
- finance procedures and manual

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
T J Bailey	2	2
J D Foy	1	2
S G Hall	1	2
G W Lane	1	2
P J Martin	1	2
P J McAteer	2	2
J E Paine	2	2
J M Shepard	0	2
A Simmons	1	2

#### **Human Resources Committee**

The Human Resources Committee is a subcommittee of the main Board of Trustees and was established in June 2016. Its main purpose is to be responsible for the detailed consideration as to the best means of fulfilling the Trust's responsibility to ensure sound management of the Trust's Human Resources. The Committee's main responsibilities are to review and recommend HR and organisational development policies and strategy and to monitor the impact on organisational performance, including pay, terms and conditions and performance management.

The work of the Committee in this period included:

- plans for the induction of the CEO and new Trustees
- staff policies
- staff benefits

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
S G Hall	1	1
P J Martin	1	1

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**GOVERNANCE STATEMENT (continued)**

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P J McAteer	1	1
A Simmons	1	1

Analysis of school data at due diligence stage has been completed by experienced school improvement advisors. Where relevant appropriate specialist advice has been sought from professionals with experience in the sector.

**Governance reviews:**

The full Trust Board was established in October 2016; five of the nine Trustees were appointed following a selection process carried out by representatives of Members and the original Trustees. The selection process included an initial skills audit to ensure the Board had the necessary skill set as a group for the set up phase and beyond. A further skills audit is being carried out in November 2017; this will be followed by a governance review in the first half of 2018.

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer the Interim Chief Executive Officer had responsibility for ensuring that the Trust delivered good value in the use of public resources. The accounting officer understood that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considered how the Trust's use of its resources could provide good value for money during its set up phase, by effective use of the Trust's Regional Growth Fund and academy conversion grants.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Herts for Learning Multi Academy Trust for the period 21 July 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the period 21 July 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;

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**GOVERNANCE STATEMENT (continued)**

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- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

During the period the Trust had no open schools and therefore the Trustees were of the opinion that there were no significant risks that required internal audit services. On 1 September 2017, six schools joined the Trust and the Trustees implemented a robust system of internal audit to ensure continuous improvement of the system of internal control.

**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 14 December 2017 and signed on their behalf, by:



.....  
**J E Paine**  
Chair of Trustees



.....  
**A L Thomas**  
Accounting Officer

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
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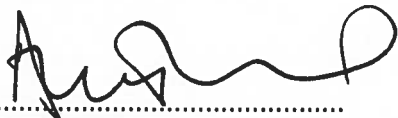
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Herts for Learning Multi Academy Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2016.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



.....  
**A L Thomas**  
**Accounting Officer**

Date: 14 December 2017

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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The Trustees (who act as governors of the Herts for Learning Multi Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 14 December 2017 and signed on its behalf by:



.....  
**J E Paine**  
**Chair of Trustees**



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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HERTS  
FOR LEARNING MULTI ACADEMY TRUST**

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**OPINION**

We have audited the financial statements of the Herts for Learning Multi Academy Trust for the period ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Trust'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 Trust'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 Trust and its members for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the period 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, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

**BASIS OF 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 Trust 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HERTS  
FOR LEARNING MULTI ACADEMY TRUST**

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**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Trustees' report including the Strategic report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic 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 Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Trust for the purposes of company law) 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 Trustees 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 Trustees are responsible for assessing the Trust'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 Trustees either intend to liquidate the academy's or to cease operations, or have no

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF HERTS  
FOR LEARNING MULTI ACADEMY TRUST**

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realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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). The description forms part of our Auditor's report.



Alexander Bottom ACA (Senior statutory auditor)

for and on behalf of

**Hillier Hopkins LLP**

Chartered Accountants  
Statutory Auditor

Radius House  
51 Clarendon Road  
Watford  
Hertfordshire  
WD17 1HP

Date: *15th December 2017*

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HERTS FOR LEARNING MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 2 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Herts for Learning Multi Academy Trust during the period 21 July 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Herts for Learning Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Herts for Learning Multi Academy Trust and the ESFA those matters we are required to state in a 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 Herts for Learning Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE HERTS FOR LEARNING MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of the Herts for Learning Multi Academy Trust's funding agreement with the Secretary of State for Education dated 23 August 2017, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 21 July 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HERTS FOR  
LEARNING MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**  
**(continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 21 July 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Hillier Hopkins LLP**

Chartered Accountants  
Statutory Auditor

Radius House  
51 Clarendon Road  
Watford  
Hertfordshire  
WD17 1HP

Date: *15th December 2017*

**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE PERIOD ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
<b>INCOME FROM:</b>					
Charitable activities	2	-	250,000	-	250,000
Investments	3	46	-	-	46
<b>TOTAL INCOME</b>		<u>46</u>	<u>250,000</u>	<u>-</u>	<u>250,046</u>
<b>EXPENDITURE ON:</b>					
Charitable activities		-	207,263	-	207,263
<b>TOTAL EXPENDITURE</b>	5	<u>-</u>	<u>207,263</u>	<u>-</u>	<u>207,263</u>
<b>NET INCOME BEFORE TRANSFERS</b>		46	42,737	-	42,783
Transfers between Funds	14	-	(653)	653	-
<b>NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		46	42,084	653	42,783
<b>NET MOVEMENT IN FUNDS</b>		46	42,084	653	42,783
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		-	-	-	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>46</u>	<u>42,084</u>	<u>653</u>	<u>42,783</u>

All of the Trust's activities derive from acquisitions in the current financial period.

The notes on pages 23 to 32 form part of these financial statements.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)  
REGISTERED NUMBER: 10290954

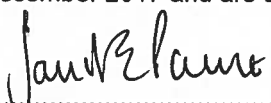
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**BALANCE SHEET**  
AS AT 31 AUGUST 2017

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	Note	£	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	11		653
<b>CURRENT ASSETS</b>			
Debtors	12	35,087	
Cash at bank and in hand		231,259	
		<u>266,346</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(224,216)</u>	
<b>NET CURRENT ASSETS</b>			<u>42,130</u>
<b>NET ASSETS</b>			<u><u>42,783</u></u>
<b>FUNDS OF THE TRUST</b>			
<b>Restricted income funds:</b>			
Restricted income funds	14	42,084	
Restricted fixed asset funds	14	653	
Total restricted income funds			42,737
Unrestricted income funds	14		46
<b>TOTAL FUNDS</b>			<u><u>42,783</u></u>

The financial statements on pages 20 to 32 were approved by the Trustees, and authorised for issue, on 14 December 2017 and are signed on their behalf, by:

  
.....  
**J E Paine**  
Chair of Trustees

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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	Note	2017 £
<b>Cash flows from operating activities</b>		
Net cash provided by operating activities	16	<u>231,866</u>
<b>Cash flows from investing activities:</b>		
Interest received		46
Purchase of tangible fixed assets		<u>(653)</u>
<b>Net cash used in investing activities</b>		<u>(607)</u>
<b>Change in cash and cash equivalents in the period</b>		<b>231,259</b>
Cash and cash equivalents brought forward		-
<b>Cash and cash equivalents carried forward</b>	17	<u><u>231,259</u></u>

All of the cash flows are derived from acquisitions in the current financial period.



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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Herts for Learning Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the Trust's educational operations, including support costs and those costs relating to the governance of the Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £400 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	33% straight line basis
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Depreciation is charged on an asset in the month after purchase.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

**1.6 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.8 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.9 Financial instruments**

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement basis are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

**1.10 Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**1. ACCOUNTING POLICIES (continued)**

**1.11 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

**1.12 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. Due to the Trust's minimal activity during the year, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical areas of judgment:

Due to the Trust's minimal activity during the year, there are no areas of significant judgment.

**2. FUNDING FOR TRUST'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds 2017 £</b>	<b>Restricted funds 2017 £</b>	<b>Total funds 2017 £</b>
<b>DfE/ESFA grants</b>			
Start up Grants	-	250,000	250,000
	<hr/>	<hr/>	<hr/>
	-	250,000	250,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

**3. INVESTMENT INCOME**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Bank interest	46	-	46
	<u>46</u>	<u>-</u>	<u>46</u>

**4. SUPPORT COSTS**

	Educational activities £	Total 2017 £
Recruitment	4,467	4,467
Technology Costs	34,826	34,826
Printing, Postage and Stationery	242	242
Professional Fees	160,627	160,627
Other Support Costs	2,601	2,601
Governance costs	4,500	4,500
	<u>207,263</u>	<u>207,263</u>

**5. EXPENDITURE**

	Premises 2017 £	Other costs 2017 £
Educational activities: Support costs	-	207,263
	<u>-</u>	<u>207,263</u>

**6. NET INCOME/(EXPENDITURE)**

This is stated after charging:

		2017 £
Auditors' remuneration - audit		4,500
		<u>4,500</u>

**7. STAFF COSTS**

The Trust has no employees other than the Trustees, who did not receive any remuneration.

No employee received remuneration amounting to more than £60,000 in either year.

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**8. CENTRAL SERVICES**

No central services were provided by the Trust to its academies during the period and no central charges arose.

**9. TRUSTEES' REMUNERATION AND EXPENSES**

During the period, no Trustees received any remuneration.  
During the period ended 31 August 2017, no Trustees received any reimbursement of expenses.

**10. TRUSTEES' AND OFFICERS' INSURANCE**

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**11. TANGIBLE FIXED ASSETS**

	Office equipment £
<b>Cost</b>	
At 21 July 2016	-
Additions	653
	<hr/>
At 31 August 2017	653
	<hr/>
<b>Depreciation</b>	
At 21 July 2016 and 31 August 2017	-
	<hr/>
<b>Net book value</b>	
At 31 August 2017	653
	<hr/> <hr/>

**12. DEBTORS**

	2017 £
VAT recoverable	29,201
Prepayments and accrued income	5,886
	<hr/>
	35,087
	<hr/> <hr/>

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**13. CREDITORS: Amounts falling due within one year**

	2017 £
Trade creditors	128,012
Other creditors	55,000
Accruals and deferred income	41,204
	<hr/>
	<b>224,216</b>
	<hr/> <hr/>

**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

**14. STATEMENT OF FUNDS**

	Balance at 21 July 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2017 £
<b>Unrestricted funds</b>					
General funds	-	46	-	-	46
<b>Restricted funds</b>					
Start up grants	-	250,000	(207,263)	(653)	42,084
<b>Restricted fixed asset funds</b>					
Restricted fixed asset funds	-	-	-	653	653
Total restricted funds	-	250,000	(207,263)	-	42,737
Total of funds	-	250,046	(207,263)	-	42,783

The specific purposes for which the funds are to be applied are as follows:

The restricted funds represent the start up grants provided by the Government to cover the costs of academy conversion for joining schools.

The restricted fixed asset fund includes all fixed assets greater than £400. Depreciation charged on the assets is allocated to the fund. Transfers in to the fixed asset fund relates to fixed asset additions funded from unrestricted funds.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2017 were allocated as follows:

Herts for Learning Multi Academy Trust	42,130
Restricted fixed asset fund	653
Total	42,783



**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

**14. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY COST**

Expenditure incurred by each academy during the year was as follows:

	<b>Other costs excluding depreciation</b>	<b>Total 2017</b>
	£	£
Herts for Learning Multi Academy Trust	207,263	207,263
	<u>207,263</u>	<u>207,263</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds 2017</b>	<b>Restricted funds 2017</b>	<b>Restricted fixed asset funds 2017</b>	<b>Total funds 2017</b>
	£	£	£	£
Tangible fixed assets	-	-	653	653
Current assets	46	266,300	-	266,346
Creditors due within one year	-	(224,216)	-	(224,216)
	<u>46</u>	<u>42,084</u>	<u>653</u>	<u>42,783</u>
	<u>46</u>	<u>42,084</u>	<u>653</u>	<u>42,783</u>

**16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017
	£
Net income for the period (as per Statement of Financial Activities)	42,783
<b>Adjustment for:</b>	
Interest received	(46)
Increase in debtors	(35,087)
Increase in creditors	224,216
<b>Net cash provided by operating activities</b>	<u>231,866</u>

**17. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017
	£
Cash in hand	231,259
<b>Total</b>	<u>231,259</u>

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**HERTS FOR LEARNING MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2017**

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**18. OTHER FINANCIAL COMMITMENTS**

A purchase agreement exists with PS Financials whereby the Trust is obliged to pay £43,214 in the coming year. This commitment relates to the Financial software and additional licences provided for use in current and future academies of the Trust.

**19. MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**20. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Trust and the composition of the board of Trustees being drawn from local and public and private sector organisations, including Hertfordshire County Council and schools based in Hertfordshire, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations which take account of the Trust's legal obligations.

The founding sponsor of the Trust is Herts for Learning Limited, a company owned by Hertfordshire County Council (20%) and its member schools (80%) and operated on a "not for profit" basis providing school improvement and education services to schools within Hertfordshire and beyond. The Trust is a co-owner of Herts for Learning Limited and the Trust's academies participate in the strategic oversight of the business of Herts for Learning Limited.

Up until 31 August 2017 Herts for Learning Limited provided staff time to set up the Trust at its own cost i.e. from within its own resources. Certain third party costs incurred by Herts for Learning Limited were reimbursed by the Trust from grant funding received from the Secretary of State for Education (e.g. grants for academy conversion and regional growth funds). These third party costs include legal, finance and project management services.

During the period purchases totalling £43,142 were made from Herts for Learning Limited, the Trust's provider and sponsor. At period end, included within trade creditors is £21,047 owing to Herts for Learning Limited.

**21. POST BALANCE SHEET EVENTS**

On 1 September 2017 the following schools joined the Herts for Learning Multi Academy Trust:

- Alban Wood Primary and Nursery School
- Bromet Primary School
- The Grange Academy
- Oxhey Wood Primary School
- Warren Dell Primary School
- Wilbury Junior School