

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

A company limited by guarantee

Registered charity Number: 1158399

Company Number: 08763964

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**

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COMPANY INFORMATION

Reference and Administrative Information

Trustees	N. Wilcock (Chair) C. Cherry M. Smith
Key Management	Mark Smith (Chief Executive Officer) Tom Fogden (Dean)
Charity Registration Number	1158399
Company Number	08763964 (England and Wales)
Registered Office and Principal Address	1 Sutherland Street Pimlico London SW1V 4LD
Bankers	Lloyds TSB Bank 25 Gresham Street London EC2V 7HN
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2025

The trustees of National College for Digital Skills Limited (the "charity") present the annual report and audited financial statements for the year ended 31 July 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the governing document, the Charities Act 2011, Companies Act 2006 and 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).

Objectives and Activities

The National College for Digital Skills became a company limited by guarantee in November 2013 followed by its registration as a charity in July 2014. The Memorandum of Association and Articles of Association were amended following the incorporation of Ada, National College for Digital Skills Further Education College ('College') on 8 August 2016. The principal changes to the Articles resulted in National College for Digital Skills Limited becoming a wholly owned subsidiary of the College and changes to the Trustee Board.

The objectives of the College are: 'to advance the education of the public in general on the subject of computing and related disciplines, including but not exclusively by establishing and supporting educational institutions which teach computing and related disciplines.'

As the subsidiary to the College, these objectives are being met through the provision of operational support services to the College. This includes:

- Student support and admissions
- Management Information System provision
- Fundraising
- Finance and administration
- HR support services
- ICT supply and support
- Facilities management and capital project management
- Marketing

Structure, Governance and Management

The trustees have control of the charity, its property and funds and convene annually for a Board Meeting. The trustees are responsible for the compliance with all legal and regulatory requirements, prudent management of assets and ensuring the highest quality of governance. Trustee indemnity insurance is in place to cover the trustees for up to £1million. Day to day management of the charity is assigned to the CEO and Dean.

The trustees during the year were as follows;

- Nicholas Wilcock, Director at Delta Capital Limited, an international business and technology consultancy and managed services provider;
- Tiffany Hall, the Chair of the College Board (resigned both roles 4 April 2025)
- Mark Smith, CEO Ada National College for Digital Skills
- Tom Fogden, Dean Ada National College for Digital Skills (resigned 4 April 2025)
- Chris Cherry, the Chair of the College Board (appointed 25 June 2025)

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2025

Structure, Governance and Management (continued)

The College Board is entitled to propose candidates for election to the Trustee Board and to appoint additional trustees. Such additional trustees are then required to seek election and appointment at the next Trustee Board meeting.

New members of the Trustee Board may be recruited by application. Their application must be proposed and seconded by current trustees of the Board. In selecting new trustees, consideration is given to the specific contribution that they can make to the Board and the charity. A regular skills and training audit is undertaken to ensure that appointments to the Board reflect the strategic priorities of the charity.

Staffing

The key management personnel of the charity are the Trustee Board, which for the year ended 31 July 2025 included the CEO and Dean of the College.

The College's salary policy is applied to the charity and is designed to provide a clear and flexible framework to reward employees with a view to attract and retain a competent workforce which is essential to the ongoing success of the organisation. Pay grades within the policy are based upon the Further Education pay grade structure as published by the University and College Union. The CEO's salary is set separately by the College's Remuneration Committee.

Statement of Public Benefit

The Board trustees have referred to the Charity Commission's general guidance on public benefit in reviewing the aims and objectives of the charity, in planning future activities and how planned activities will contribute to those aims and objectives. The trustees of National College for Digital Skills Limited have taken due note of their responsibilities to deliver public benefit and are confident of the impact in the advancement of education – through the development of individual capabilities, competencies, skills and understanding.

Progress in 2024-25 and Future plans

The Members of the College agreed in Autumn 2020 to a revision of the College's mission statement:

'To educate and empower the next generation of diverse digital talent.'

In Autumn 2022 the College refreshed its strategic plan to run through to December 2025 under the theme 'Evolving to Ada 2.0'. Retaining the core mission statement, the purpose of the college was identified as 'Delivering an industry-led learning experience, in an aspirational culture, to larger volumes of diverse learners, which ensures our alumni secure jobs in tech and that Ada is sustainable.'

For the final full year of the strategic plan the focus was on the following 6 priority areas:

1. **Quality of Teaching Learning and Assessment**
 - Sixth Form: All teaching consistently good across all subjects
 - Apps: Module feedback average scores >4/5
 - Qualification Achievement Rates >85%
2. **Apprenticeship Volume Growth**
 - 85 apprentices enrolled over the course of the year - This was below target and is under review
3. **New Programme Development**
 - Foundation programme pilot launched in London

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- T-level pilot successfully launched with larger volumes expected in London in Autumn 2025
- T-level pilot scoped in Manchester
- Overhaul of existing L4 apprenticeships underway with increased focus on AI

4. Digital Transformation

- Digital transformation roadmap in place
- Year 1 priority improvements completed - new CRM in place, Gemini Pro accounts for all staff and increased network resilience
- New MIS system procured with a view to roll out in Summer 2026

5. Improved People Management Function

- Salary benchmarking exercise completed
- HR FTE increased from 0.8 to 2.8 FTE
- Formalised line manager development programme implemented
- Employee benefits improved

6. Student Progression & Alumni

- Increase in 6th form progression to Apprenticeships (10% to 17%)
- Improved understanding of long-term impact through alumni data collection
- 2 x Alumni events held with 8% of alumni volunteering with Ada through the year

The detail behind this for the coming year is also set out in the College's published Accountability Plan.

The College completed two significant capital projects during the 2023-24 academic year, delivering the new sites in Victoria, London and Ancoats, Manchester. Other than some small remedial work on both sites there has been no capital project activity during 2024-25.

During the year, the Charity continued to support the College with the provision of accommodation, equipment, staff, systems, processes and procedures. Other activities provided in the year covered:

- Strategic and operational budgeting, financial management and reporting for the Group,
- Recruitment and HR support for teaching and non-teaching staff,
- Marketing and Student Recruitment services,
- Management of the REMS Management Information System,
- Development of a new impact function for the college, and
- Development and oversight of key policies, processes and procedures.

Risk Management

The trustees are responsible for the overseeing of the risks faced by the charity. Detailed considerations of risk are delegated to the Senior Management of the charity and the management of the College who are responsible for the day-to-day management of the charity. Risks are identified at a Group level and are assessed and controls established throughout the year. A formal review of the Group's risk management processes is undertaken on an annual basis.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2025

The trustees have identified the following areas as posing a key risk to the charity:

1. Maintaining the financial viability of the College

The College maintains a reasonable unrestricted cash balance at the time of presenting these accounts, with a balance of £694k at year end. It remains financially viable through a cautious approach to cost management during times of unpredictable learner volumes. The move to new premises in London and Manchester removed some constrictions on learner volumes, although the lagged funding from the DfE for Sixth Form learners means the impact of any increase will not be felt immediately. The College continues to monitor costs closely and runs a lean operating model while carefully building capacity to grow learner volumes and make a success of the new premises. There are a number of measures in place to manage this risk including:

- Rigorous budget setting procedures and sensitivity analysis
- Regular in year budget reviews, which are shared with the Board
- Robust financial controls
- Extended fundraising and business development resource
- Further curriculum innovations including new programmes

2. Achieving year on year volume targets for learner volumes

The Board and leadership team have identified the need for significant, incremental year-on-year growth in learner volumes to get the College to 1000+ learners as soon as possible. This will be the main focus of the College's new strategy through to 2030. Not achieving volume targets impacts on income, growth plans and financial sustainability. This risk is mitigated by setting and reporting on KPI targets and rigorous internal accountability. Also, during 2024-25 we have invested in our outreach and business development functions to drive further growth in our apprenticeship volumes. We have also procured a new CRM and launched a new website and bolstered our marketing function.

3. Attracting and retaining high quality staff

The turnover in staff remains higher than we would wish. In spite of it being a very competitive market to find new hires we have been increasingly successful in attracting good talent, largely driven by our investment in the HR function and the new campus locations. We need to make further adjustments, however, to remain competitive, particularly in relation to pay. We have conducted a pay & rewards benchmarking exercise against other Colleges, schools, universities and private training providers, which has highlighted some of the challenges we face in offering competitive remuneration packages.

Steps we have taken to combat these challenges include:

- Increasing annual leave allowances for some staff and providing greater flexibility in working patterns where possible.
- The Board has agreed to a 4% pay increase for eligible staff from September 2025, and a number of additional differentiated pay rises have been awarded to recognise performance or retention issues.

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- Improving regular line manager training and support so they can better support their staff and help them feel a strong sense of achievement and purpose in their roles.

4. Maintaining the College's diversified revenue model

The College continues to receive income through three main revenue streams: 16-19 programmes, Apprenticeships and philanthropy. Some additional income is also earned through short course programmes and building rental. This diversification of revenue streams helps ensure the College's financial sustainability by ensuring that revenue is earned in a number of different ways and if one revenue stream declines, for whatever reason, then other revenue streams are able to potentially compensate and the College's Governors and Executives can alter internal resource allocation accordingly to either bolster growth in a specific revenue stream or allocate additional resource to help a poorly performing revenue stream recover.

Financial Review and Going Concern

The Statement of Financial Activities is shown on page 16. There was net expenditure for the year of (£51,753) (2024 restated: net income of £340,518). The charity generated £2,031,083 of income during the year from corporate donors, high net individuals and through donated services. This includes rent support in kind to the value of £1,240,957 from the Department for Education for the premises in Ancoats, Manchester and Victoria, London.

The charity has accumulated reserves of £663,872 (2024 restated: £715,625) at 31 July 2025, which includes cash and short-term investment balances of £671,631 (2024: £421,099) and fixed assets of £1,514,272 (2024: £1,417,102).

Tangible fixed asset additions during the year amounted to £438,927 including the purchase of new laptops and capitalised software implementation costs.

Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The future budgeted income and expenditure together with the level of accumulated free reserves is sufficient for the charity to be able to continue as a going concern. The primary purpose of the charity is to support the educational operations of the College, including through the provision of support services which are recharged under a service level agreement. The College Corporation has concluded that its financial situation has improved to the point where there are no remaining material uncertainties that would cast doubt on its ability to continue, and it is appropriate to prepare its financial statements on a going concern basis.

Given the improved financial situation of the college and its continued commitment to support through the service level agreement, the Trustees believe there is no material uncertainty that would cast doubt on the charity's ability to continue and that it is therefore appropriate to also prepare its financial statements on a going concern basis. Our cashflow forecasts, looking ahead for the next two to three years, remain adequate and are regularly stress tested.

Reserves Policy

The trustees wish, in general, to retain enough of the General Fund to fund at least one months' activities. This amounts to approximately £325k on current expenditure levels. We will look to improve this in the coming financial year, by reviewing the Service Level Agreement between the charity and the college along with increasing our fundraising activity.

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The balance held as unrestricted funds as at 31 July 2025 was a surplus of £442,580 (2024: £492,160). However, the free reserves element, equated to net current liabilities less release of amounts due to parent undertaking resulted in a surplus of £63,588. NCDS Limited will look to build up this level. The balance held as restricted funds as at 31 July 2025 was £221,293 (2024 restated: £223,456).

Fundraising

Fundraising for the College and the charity is currently undertaken by the Head of Philanthropy and Alumni and CEO. Fundraising is focused on individual giving, corporates, trusts and foundations.

The College and charity have adopted an 'Ethical Fundraising Policy'. This policy is based upon the Institute of Fundraising's Compliance Framework. The policy ensures that vulnerable people and others are adequately protected from unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure to give, in the course of or in connection with fundraising for the charity.

No complaints were received during the year in relation to fundraising activities.

Statement of trustees' responsibilities

The trustees (who are also directors of National College for Digital Skills Limited for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company 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 in 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that 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.

Each trustee confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. 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.

This report was approved on 10 December 2025 and signed on behalf of the trustees by



Nicholas Wilcock

Chair of National College for Digital Skills Limited

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

Independent auditor's report to the trustees of National College for Digital Skills Limited

Opinion

We have audited the financial statements of National College for Digital Skills Limited (the 'charitable company') for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable company's affairs as at 31 July 2025 and of its income and expenditure 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 charitable 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 trustees with respect to going concern are described in the relevant sections of this report.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company 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 charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities Act 2011 and those that relate to employment and data protection (General Data Protection Regulation).
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and those charged with governance as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- used data analytics to identify and investigated the rationale behind any significant or unusual transactions;
- tested authorisation controls on expenditure items, ensuring expenditure was approved in line with the charitable company's financial procedures; and
- challenged assumptions made by management in their significant accounting estimates, in particular those relating to the recognition of project income

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management and those charged with governance as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

Use of our report

This report is made solely to the charitable company's trustees, 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 charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 12 December 2025

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2025 INCORPORATING THE INCOME
AND EXPENDITURE ACCOUNT

		Unrestricted funds	Restricted income funds	Total 2025	Unrestricted Funds Restated	Restricted income Funds Restated	Restricted capital Funds Restated	Total 2024 Restated*
		£	£	£	£	£	£	£
Income	Notes							
Donations	2	1,871,083	160,000	2,031,083	957,887	202,500	-	1,160,387
<i>Income from charitable activities:</i>								
Other income	3	3,390,146	-	3,390,146	3,591,009	-	-	3,591,009
Total income		5,261,229	160,000	5,421,229	4,548,896	202,500	-	4,751,396
Expenditure								
Expenditure on Charitable activities	4	5,310,809	162,173	5,472,982	4,210,931	63,267	136,680	4,410,878
Total Expenditure		5,310,809	162,173	5,472,982	4,210,931	63,267	136,680	4,410,878
Net income/(expenditure) and transfers between funds		(49,580)	(2,173)	(51,753)	337,965	139,233	(136,680)	340,518
Transfers between Funds	11	-	-	-	(6,612)	(9,000)	15,612	-
Net income/(expenditure) after transfers between funds		(49,580)	(2,173)	(51,753)	331,353	130,233	(121,068)	340,518
Reconciliation of Funds								
Total funds brought forward		492,159	223,466	715,625	160,806	93,233	121,068	375,107
Total funds carried Forward	11	442,579	221,293	663,872	492,159	223,466	-	715,625

*Other income has been restated following a change in accounting policy as described in Note 16.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

BALANCE SHEET AS AT 31 JULY 2025

	Note	Unrestricted funds £	Restricted income funds £	Total 2025 £	Total 2024 Restated £
<u>FIXED ASSETS</u>					
Tangible assets	5	1,514,271	-	1,514,271	1,417,102
TOTAL FIXED ASSETS		1,514,271	-	1,514,271	1,417,102
<u>CURRENT ASSETS</u>					
Cash at bank and in hand		165,639	505,992	671,631	421,099
Debtors	6	234,679	-	234,679	461,358
TOTAL CURRENT ASSETS		400,318	505,992	906,310	882,457
CREDITORS: Amounts falling due within one year	7	(579,424)	(284,699)	(864,123)	(641,198)
NET CURRENT ASSETS/(LIABILITIES)		(179,106)	221,293	42,187	241,259
CREDITORS: Amounts falling due after more than one year	8	(892,586)	-	(892,586)	(942,738)
NET ASSETS		442,579	221,293	663,872	715,625
THE FUNDS OF THE CHARITY:					
Restricted income - Bursaries		-	79,255	79,255	56,246
Restricted income other		-	142,038	142,038	167,220
Unrestricted funds		442,579	-	442,579	492,159
TOTAL CHARITY FUNDS	11	442,579	221,293	663,872	715,625

The 2024 creditors and restricted funds have been restated following a change in accounting policy as described in note 16.

The notes on pages 16 to 27 form part of the financial statements.

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue and signed on behalf of trustees by:



Nicholas Wilcock

Chair

Date: 10 December 2025

Company number 08763964

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 July 2025

	Notes	2025 £	2024 Restated £
Net cash provided by operating activities		685,665	796,861
Cash flows from investing activities:			
Interest		2,161	74
Purchase of tangible fixed assets		(437,294)	(1,424,992)
Net cash flow used in investing activities		(435,133)	(1,424,918)
Change in cash and cash equivalents in the year		250,532	(628,057)
Cash and cash equivalents brought forward		421,099	1,049,156
Cash and cash equivalents carried forward		671,631	421,099

Notes to the statement of cash flows for the year ended 31 July:

A Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 Restated £
Net (expenditure)/income per statement of financial activities	(51,753)	340,518
Add back depreciation	340,125	204,679
Deduct interest income shown in investing activities	(2,161)	(74)
Decrease/(increase) in debtors	226,680	(35,418)
(Decrease)/Increase in creditors	172,774	287,156
Net cash provided by operating activities	685,665	796,861

Net Debt as at 31 July 2025

	1 August 2024 £	Cashflow £	31 August 2025 £
Net Cash			
Cash at Bank	421,099	250,532	671,631
Debt			
Debts falling due within 1 year	42,058	17,711	59,769
Debts falling due after 1 year	54,997	(24,348)	30,649
	97,055	(6,637)	90,418
Net Debt	324,044	257,169	581,213

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

1. Accounting Policies

1.1 Basis of accounting

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

The financial statements are prepared in sterling and are rounded to the nearest pound.

National College for Digital Skills Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

1.2 Income

All donations, revenue grants, investment and deposit income is recognised on a receivable basis when the three criteria of income recognition; entitlement, certainty and measurement have been met.

Historically the College recognised income from capital grants on receipt. It was decided that a change of accounting policy for the treatment of these grants is appropriate and better reflects the substance of the capital grant funding agreements. Income from government capital grants is now deferred and treated under the accruals basis in line with FEHE SORP which is the standard approach adopted in the FE sector.

This change in policy has been applied retrospectively from 2023 and has been reflected in the 2024 comparatives shown in the accounts. The effect of this change in policy has been a reduction in the value of income from capital grants, which had been transferred to NCDS from the College under the SLA, and restricted reserves with a corresponding increase in liabilities. The adjustments in detail are included in note 16.

The funds for this period were both unrestricted and restricted in their use. The charity also benefits from long term lease agreements for its premises in Victoria, London and Ancoats, Manchester for which it pays only notional rent. The estimated annual value of the leasehold interests has been calculated based on comparable market rates adjusted to reflect College's current circumstances and is reflected as a donation in kind with a corresponding expense in the statement of financial activities.

1.3 Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure shown is inclusive of irrecoverable VAT.

Charitable Activities

Expenditure on charitable activities are resources expended on the College's educational operations.

Governance Costs

Governance costs include those costs incurred in complying with the charity's constitutional and regulatory obligations.

1.4 Pension costs

Pension costs are payable in respect of a defined contribution schemes with Aviva. Contributions in respect of defined contribution schemes are recognised in the statement of financial activities in the year which they are payable to the scheme.

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and valued at historic cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office and IT Equipment 3 Years

Leasehold improvements Remaining lease term

Software implementation 5 Years

1.6 Reserves

The charity holds reserves for the following purposes:-

- **Unrestricted funds** are monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.
- **Restricted income funds** are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions as described in note 12.
- **Restricted capital funds** are grants provided by the Department for Education and Greater London Authority for capital costs associated with the premises, IT and equipment.

1.7 Going Concern

Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The future budgeted income and expenditure together with the level of accumulated free reserves is sufficient for the charity to be able to continue as a going concern. The primary purpose of the charity is to support the educational operations of the College, including through the provision of support services which are recharged under a service level agreement. The College Corporation has concluded that its financial situation has improved to the point where it is appropriate to prepare its financial statements on a going concern basis. The trustees, therefore, believe it is also appropriate for the charity to prepare its financial statements on a going concern basis.

1.8 Prior year restatement

Details of the prior year restatement in relation to government capital funding recognition have been set out in note 16. The impact of restatement has been to decrease capital income recognised in the SOFA by £1,070,834 in 2024 and increasing creditors by the same amount at 31 July 2024. Additionally, to recognise that any capital purchases are for the general use of the College, all previously related restricted capital fund balances have been transferred to the unrestricted fund.

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

2 Income from donations

	Unrestricted funds	Restricted income funds	Total 2025
	£	£	£
Corporate donations	121,000	-	121,000
Rent – donation in kind	1,240,957	-	1,240,957
Individual donations	509,126	160,000	669,126
2025 Total funds	1,871,083	160,000	2,031,083

	Unrestricted funds	Restricted income funds	Total 2024
	£	£	£
Corporate donations	45,471	-	45,471
Rent – donation in kind	568,645	-	568,645
Individual donations	343,771	202,500	546,271
2024 Total funds	957,887	202,500	1,160,387

3 Other income

	Unrestricted funds	Restricted income funds	Total 2025	Total 2024 Restated
	£	£	£	£
Recharge of support services (note 13)	3,355,118	-	3,355,118	3,578,224
Other income	35,028	-	35,028	12,785
Total funds	3,390,146	-	3,390,146	3,591,009

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

4 Charitable activities

	Unrestricted Funds	Restricted Income funds	Total 2025
	£	£	£
Support costs			
Depreciation	340,124	-	340,124
Wages and salaries	2,722,803	120,915	2,843,718
Professional and consultancy fees	44,476	-	44,476
Property costs	1,627,555	-	1,627,555
Advertising and marketing	95,068	12,982	108,050
IT support costs	174,703	13,206	187,909
Other staff costs	72,783	6,155	78,938
Education costs	6,447	6,991	13,438
Administration costs	78,888	1,924	80,812
Insurance	51,490	-	51,490
Travel	29,000	-	29,000
Sundry expenses	8,916	-	8,916
Bank charges	96	-	96
Total Support costs	5,252,349	162,173	5,414,522
 Governance costs			
Audit costs	41,345	-	41,345
Governance Consultancy	17,115	-	17,115
Total governance costs	58,460	-	58,460
 Total costs	5,310,809	162,173	5,472,982

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

Charitable activities (continued)

	Unrestricted Funds	Restricted Income funds	Restricted Capital Funds	Total 2024
	£	£	£	£
Support costs				
Depreciation	68,209	-	136,470	204,679
Wages and salaries	2,200,354	27,664	-	2,228,018
Professional and consultancy fees	113,862	-	-	113,862
Property costs	1,279,284	-	-	1,279,284
Advertising and marketing	139,984	23,241	-	163,225
IT support costs	112,823	10,838	-	123,661
Other staff costs	44,916	532	-	45,448
Education costs	14,856	50	-	14,906
Administration costs	125,075	942	-	126,017
Loss on Disposal of fixed assets	-	-	-	-
Insurance	21,560	-	-	21,560
Travel	19,098	-	-	19,098
Sundry expenses	4,121	-	210	4,331
Bank charges	15	-	-	15
Total Support costs	4,144,157	63,267	136,680	4,344,104
Governance costs				
Audit costs	44,056	-	-	44,056
Governance Consultancy	22,718	-	-	22,718
Total governance costs	66,774	-	-	66,774
2024 Total Cost	4,210,931	63,267	136,680	4,410,878

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

5. Tangible fixed assets

	Leasehold Property Refurbishment	Office & IT Equipment	Software	Furniture & Fittings	Total
Cost	£	£	£	£	£
At 1 August 2024	796,189	1,318,316	-	327,880	2,442,385
Additions	-	206,343	232,584	-	438,927
Disposals	(1,633)	-	-	-	(1,633)
At 31 July 2025	<u>794,556</u>	<u>1,524,659</u>	<u>232,584</u>	<u>327,880</u>	<u>2,879,679</u>
Depreciation					
At 1 August 2024	31,828	721,965	-	271,490	1,025,283
Provided in year	30,758	283,677	-	25,690	340,125
Disposals	-	-	-	-	-
At 31 July 2025	<u>62,586</u>	<u>1,005,642</u>	<u>-</u>	<u>297,180</u>	<u>1,365,408</u>
Net Book Value at 31 July 2025	<u>731,970</u>	<u>519,017</u>	<u>232,584</u>	<u>30,700</u>	<u>1,514,271</u>
Net Book Value at 31 July 2024	<u>764,362</u>	<u>596,351</u>	<u>-</u>	<u>56,390</u>	<u>1,417,102</u>

All fixed assets are used for the direct furtherance of the charity's objectives.

The Office & IT Equipment additions relate to new equipment for both the Ancoats and Victoria campuses.

6. Debtors	2025	2024
	£	£
Trade debtors	73,150	72,633
Amount due from parent undertaking (note 12)	-	256,974
Prepayments & accrued income	161,529	131,751
	<u>234,679</u>	<u>461,358</u>

7. Creditors amounts falling due within one year	2025	2024
	£	Restated £
Trade creditors	189,628	23,168
Amount due to parent undertaking (note 12)	242,694	183,093
Accruals and deferred income	334,758	354,029
Holiday Pay Accruals	26,739	32,133
Social security and other taxes	(800)	(1,346)
Finance Leases	59,769	42,058
Sundry Creditors	11,335	8,063
	<u>864,123</u>	<u>641,198</u>

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

8. Creditors amounts falling due after one year	2025	2024 Restated
	£	£
Finance Leases	30,649	54,997
Amount due to parent undertaking (note 12)	861,937	887,741
	<u>892,586</u>	<u>942,738</u>

9. Staff Costs	2025	2024
	£	£
Staff wages and salaries	2,383,571	1,876,435
Social security costs	275,696	197,949
Pension costs	184,451	153,634
	<u>2,843,718</u>	<u>2,228,018</u>
Average number of employees (headcount)	<u>54</u>	<u>49</u>

Remuneration of senior staff members

For the salary ranges set out below, the number of senior staff members who received annual emoluments on a full-time equivalent basis excluding pension contributions and employer's national insurance was 10.

	2025	2024
	No. Staff	No. Staff
	FTE	FTE
£60,000 to £70,000	6	4
£70,001 to £80,000	4	1
	<u>10</u>	<u>5</u>

The charity considers its key management personnel comprise the trustees, the Chief Executive Officer and the Dean of the Further Education College. No trustees received any remuneration or benefits in kind in the year. The total employment benefits of the key management personnel paid by the charity were nil (2024: nil) as these costs were incurred by Ada.

10. Taxation

National College for Digital Skills Limited is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

11. Analysis of Funds

At 31 July 2025	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Carried forward £
a) Restricted funds – Bursaries	56,246	30,000	(6,991)	-	79,255
c) Unrestricted funds	492,159	5,261,229	(5,310,809)	-	442,579
d) Restricted funds – other	167,220	130,000	(155,182)	-	142,038
	715,625	5,421,229	(5,472,982)	-	663,872

At 31 July 2024	Brought Forward £	Incoming Resources Restated £	Resources Expended £	Transfers Restated £	Carried Forward Restated £
a) Restricted funds - Bursaries	45,246	20,000	-	(9,000)	56,246
b) Capital grant	121,068	-	(136,680)	15,612	-
c) Unrestricted funds	160,806	4,548,896	(4,210,931)	(6,612)	492,159
d) Restricted funds - other	47,987	182,500	(63,267)	-	167,220
	375,107	4,751,396	(4,410,878)	-	715,625

- a) Bursaries – funding provided for student bursaries.
- b) Capital Grant - funding from the Department for Education for capital costs associated with the premises, IT and equipment.
- c) The unrestricted funds are available to be spent for any of the purposes of the charity.
- d) Restricted funds – other than Capital and Student Bursaries

12. Related party transactions

National College for Digital Skills Limited provides operational and marketing support services to Ada National College for Digital Skills under a Service Level Agreement. Costs recharged to Ada National College for Digital Skills for these services amounted to £3,355,118 during the year ended 31 July 2025 (2024 restated: 3,578,224). Personal donations of £2,800 (2024: £4,600) were made by Corporation members of Ada College, along with a donation of £20 (2024: £100) by a member of Key Management Personnel.

13. Ultimate Controlling Party

The ultimate controlling parent is Ada National College for Digital Skills, a Further Education College incorporated under the Further and Higher Education Act 1992.

Copies of the College's financial statements may be obtained from:

1 Sutherland Street
Pimlico
London
SW1V 4LD

14. Operating lease commitments

As at 31 July 2025, the charity has premises in Victoria, London and Ancoats, Manchester on 25-year leases with notional rent (2024: Nil).

NATIONAL COLLEGE FOR DIGITAL SKILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2025

As at 31 July 2025, the charity has annual commitments under a non-cancellable operating lease relating to photocopiers.

	2025	2024
	£	£
Expiring:		
1 Year	5,201	-
2-5 Years	5,201	-
	<u>10,402</u>	<u>-</u>

15. Post balance sheet events

There were no post balance sheet events. (2024: None)

16. Prior Year Restatement

The parent, Ada College, has changed the accounting policy for the treatment of capital grants from recognising the full income on receipt to deferral of all Government capital grants which are now treated on an accruals basis. The change results in a prior year adjustment impacting NCDS Limited also via the recharge between the two entities, thus requiring a retrospective restatement of the comparative amounts for the prior period (financial year 2023/24) by:

- Restating the comparative amounts for the prior period (financial year 2023/24)
- Restating the closing balances for the prior year (2023/24) of liabilities and reserves

*The effect of this change is a reduction in the value of restricted grant income and corresponding restricted reserves and creditors.

**Additionally, to recognise that any capital purchases are for the general use of the College, all previously related restricted capital fund balances have been transferred to the unrestricted fund.

Please see the below table for the effect of the changes on the consolidated statement of financial activities and the balance sheet.

	Unrestricted funds	Restricted Income funds	Restricted Capital funds	Total
	£	£	£	£
31 July 2024 (comparative period)				
Net income as previously reported	(129,540)	130,233	1,410,659	1,411,352
Accounting policy change*	-	-	(1,070,834)	(1,070,834)
Transfers between funds**	339,825	-	(339,825)	-
Restated net income 31 July 2024	210,285	130,233	-	340,518
Closing reserves as previously reported	31,267	223,466	1,351,726	1,786,459
Accounting policy change*	-	-	(1,070,834)	(1,070,834)
Transfers between funds**	460,892	-	(460,892)	-
Restated reserves at 31 July 2024	492,159	223,466	-	715,625
Creditors as previously reported				(513,102)
Accounting policy change*				(1,070,834)
Restated Creditors at 31 July 2024				(1,583,936)