

Charity registration number: 1188836

Digital Advantage

Annual Report and Financial Statements
for the Year Ended 31 July 2024

Digital Advantage

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 8
Statement of Trustees' Responsibilities	9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Financial Statements	14 to 27

Digital Advantage

Reference and Administrative Details

Chairman	Ashley Boroda
Trustees	Ashley Boroda Mr Michael Anthony McNamara Mrs Sarah-Jane Musique-Hargreaves Mrs Naomi Louise Timperley Miss Diane May Ainsworth Mr Philip Arnold
Senior Management / Leadership Team	Mr Rav Gehlon, Managing Director Mr Andy Lovatt, CEO Mr Ezra Rushen, Creative Director Mr Seamus Mannion, COO Caroline Dean, Head of College (DISC)
Charity Registration Number	1188836
Principal Office	Third Floor Holyoake House Hanover Street Manchester M60 0AS
Independent Examiner	The Moffatts Partnership LLP Chartered Accountants Suite 1.1, Jackson House Sibson Road Sale M33 7RR

Digital Advantage

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 July 2024.

Objectives and activities

Objects and aims

The Objects of the CIO are:

a) To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society, in particular, but not exclusively, supporting:

- i) young people
- ii) disabled people
- iii) people with special educational needs
- iv) people with limited digital skills
- v) unemployed people.

b) To act as a resource for socially excluded people by providing advice and assistance and organising programmes of educational and other activities as a means of developing their digital skills, capacities and capabilities.

i) Young people. We have continued to work with young people across the NW and into Yorkshire. Due to reduced funding we have reached fewer young people this year, but those that we do reach, many of those are from deprived and hard to reach communities. We provided training, support, advice and guidance to one School (Eden Boys) from mainstream education; and enabled a SEMH School In Bradford to engage with a local community group to revive a cultural archive and produce a play.

ii) Disabled people. Our Independent Specialist College DISC, is based in Manchester City Centre. During this year we provided the SEND community 34 places on our pre and Supported Internships. Our interns came from Manchester, Salford, Bury, Bolton, Trafford, Oldham, Tameside, Stockport, Rochdale, Cheshire East and Halton. We also provided 6 places on our Alternative Provision. We also began a pilot programme with Manchester City Council and DfE, to provide Supported Internships to people with a SEND diagnosis but without an EHCP. We worked in partnership with Greater Manchester Learner Provider Network, Liverpool City Region Combined Authority Lancashire County Council and Future U providing help, expertise and guidance to them with supported pathways to help get SEND young people into the digital workforce.

iii) SEND. We have delivered services to 150 young people with SEND, particularly those with Autism. We have developed a service for us to work with Schools and Colleges by providing outreach training programmes and Alternative Provision. As Digital Skills Partners we can help with curriculum, training, work experiences, careers advice, community engagement and progression routes for their students, alongside digital CPD for teachers.

iv) People with limited digital skills. Our resources have been focused on SEND priorities this year and funding for this group is limited.

v) Unemployed people. We applied for but did not get funding for these programmes having concentrated on DISC

Digital Advantage

Trustees' Report

Fundraising disclosures

The principal source of funding is for DISC via ESFA and Local Authority funding. We have developed a fundraising strategy but have not deployed this as yet. We continue to apply for grants from funding bodies and foundations that prioritise education and training for SEND young people and others that maybe socially excluded.

Public benefit

All trustees are familiar with our purpose and are, to varying degrees, actively involved in helping us deliver this. This maybe through advocacy through business networks to create industry workshops and employment opportunities (AB); providing a voice for young people with 'lived experience' of additional needs (BMH); using their experience in education to help develop our curriculum and education networks (DA, PA); working with employees to support Neurodiverse staff (SM); Advocating ND employment through legal DEI networks and events (KD) and ensuring sound financial controls for us to do this(MM).

The trustees have been diligent in their shared understanding and advocacy for the Charity's purpose and have been effective in challenging Senior Leaders in their efficacy in delivering these.

The trustees have ensured they carry out the objectives for the public benefit and have (in accordance with s17 Charities Act 2011) had regard to guidance published by the Charity Commission on public benefit when exercising powers or duties where that may be relevant.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

We are in receipt of Social Investment loan from Charities Aid Foundation, which runs till 2028. We have no plans to extend this at the present time.

Grant making policies

We are not a grant making body.

Use of volunteers

We have engaged 78 volunteers this year. From the strategic involvement of the Trustees and Board of Governors to the input from industry speakers at DISC and some outreach deliveries, through to formal industry mentors and work experience partners, we have a growing database of volunteers who wish to support our charity, its learners, staff and parent/carers.

Digital Advantage

Trustees' Report

Achievements and performance

Achievements against objectives set

Other than our programmes for SEND that help prevent young people from becoming NEET, we have not been able to achieve success against this particular target due to lack of funding.

Performance of fundraising activities against objectives set

Overall, we achieved the targets set out in our business plan whilst underperforming on our targets for external funding. Since COVID it is recognised that the funding environment for educational provision is extremely tight. We worked with an external giving consultant to develop a Giving Strategy. This will take some time to activate.

Investment performance against objectives

We neither sought nor received additional investment during this period.

Innovation - New Products and Services

We continue to develop and deliver new products and services for hands-on experiential education. This year we have developed a prototype STEM education intervention - The BOX Challenge - with University of Salford, Energy House, to raise awareness of the UNSDGs and inspire students to pursue career opportunities in the green economy.

We have 6 services developed with, and for specific audiences:

Digital Supported Internship

Our specialist post-16 institution for young people with EHCPs age 16-24. DISC provides appropriate supported routes to young people to help them overcome barriers to employment in the digital economy. Students are based full-time in our digital agency environment working with us to develop their professional practice and industry skills. They work on live briefs for business partners keen to provide employment opportunities going forward.

We have refined the original model of delivering solely to supported interns to include pre and post internships:

- o Pre-internships - to meet increased demand for our service but for those young people who are up to 3 years from employment at their time of entry.
- o Post-internships are designed to provide an additional bridge for a small group of 22/23 Supported Interns to aid their transition into employment. alongside young people.

Our progression rates were excellent with 7 out of 8 Supported Interns moving onto positive destinations - work, further or higher education, - and a further 26 pre and post interns to DISC for 24/25 or moving onto increased employment or FE programmes elsewhere.

Digital Advantage

Trustees' Report

Your DNA

Your Digital News Agency is a programme for schools, colleges and community groups and is designed to provide the skills needed to create great stories about topics that mean a lot to the participant. We provide all the skills needed to develop and tell stories from a community, develop a website and brand, whilst developing the skills you need to get work in the digital economy.

Whilst funding has remained tight, this has been a popular programme with SEND schools and colleges. Your DNA has been our predominant outreach delivery setting, reaching 150 young people this year.

DA Online

Is a suite of video-led, interactive training delivered by industry experts. Aimed at developing entry level skills for all students of all ages, the training is designed to be supported by either teaching staff or by ourselves providing feedback on submitted work so that students can progress with confidence. The course can be delivered to whole classes or smaller groups and work across any platform including SeeSaw, Google Classroom, Zoom or MS Teams. Subjects include Photography, Videography, Web Design, Storytelling, Podcasting, Branding and Encryption, with more in development. There are 60 GLH and can be accredited Level 1 Creative and Digital Media. DA Online contributes to standardised, industry-led learning for beneficiaries of our existing face-to-face programmes across the North-West.

This has been shared with all schools participating in Your DNA to further the impact of their project work and to enable additional students to build with digital skills in a manner that fits with their learning style.

Teacher CPD

Video tutorials for teachers giving them the skills and confidence to manage a digital project for their school/college. These include Google Sites Web Design and Managing a Digital Project. This has been undertaken by 34 teachers.

Pop-Up Digital Agency

For Secondary Years 10-13. Our Pop-Up Digital Agency is delivered as a 5-day work experience at the school or college. Driven by an industry professional and local employer it helps students design, develop, plan, and deliver a digital business proposition. Our annual enterprise competition is judged by an industry panel with support provided to winning schools.

There have been 2 deliveries of Pop-Up Digital Agency self-funded by a college this year

Employer engagement campaign

Get Autism (www.GetAutism.uk) is our employer focussed campaign aimed to raise awareness of the hidden talents within the SEND community, but also support employers wishing to achieve more neurodiversity amongst their workforce. The ultimate aim is to partner with progressive organisations to increase the opportunities available to ours and other interns.

Overall, we achieved the targets set out in our business plan whilst underperforming on our targets for external funding. Since COVID it is recognised that the funding environment for educational provision is extremely tight. We worked with an external giving consultant to develop a Giving Strategy. This will take some time to activate.

We neither sought nor received additional investment during this period.

Digital Advantage

Trustees' Report

Financial review

At the end of the financial year to 31 July 2024, Digital Advantage remains in a strong and stable financial position. We generated a total income of £909,229 (2023: £498,640) , demonstrating continued growth and reflecting the positive impact of our work. After covering all operational and delivery costs totalling £863,392 (2023: £525,175) we achieved a surplus of £45,837 (2023: (£26,535)), which will be reinvested into the charity's future development and delivery.

As of 31 July 2024, our total reserves stood at £34,730 (2023: (£11,109)) , comprising £30,634 (2023: £Nil) in restricted funds (which are committed to specific projects or purposes in the coming year), and £4,096 (2023: (£11,109)) in unrestricted funds, which support the day-to-day running of the charity. It remains our aim to grow our unrestricted reserves over time, in line with our reserves policy, to provide greater long-term security and flexibility.

The charity is well-positioned to continue its positive financial trajectory. We expect income to grow again in the financial year ending 31 July 2025, maintaining the steady upward trend we've seen year on year. This growth will also help us move closer to meeting our reserves target by the end of FY27.

While we have some existing loans, these were taken out during the initial setup of our college provision and are structured with clear repayment plans. Importantly, all current and planned growth is being funded through our own reserves, with no reliance on external funding required.

Looking ahead, our financial plans for the next two years, which includes setting up a second site, shows further growth while remaining financially sustainable. This approach ensures we can continue delivering high-quality services and expand our reach, all while working towards the long-term financial goals set out in our reserves policy.

Digital Advantage

Trustees' Report

Policy on reserves

The trustees have set a reserves policy that targets a holding of unrestricted free reserves equal to at least three months of expenditure.

The trustees recognise that any reserves will take time to build and hope to achieve this target over a 3-5 year period.

The charity maintains reserves to ensure it can continue to meet its commitments and operate effectively, even in the event of short-term financial fluctuations. The majority of our reserves (£30,634) are restricted funds, which have been received for specific purposes and will be utilised in the following financial year in accordance with donor restrictions.

We also hold a small amount of unrestricted funds (£4,096), which serve as essential working capital. These funds provide flexibility for the day-to-day operations of the charity and support the continuity of our services, enabling us to respond promptly to any unforeseen expenses or delays in funding. Our aim is to grow the level of unrestricted reserves over time, in line with our reserves policy, to strengthen our financial resilience and support long-term sustainability.

Our reserves policy is reviewed annually to ensure that the levels held remain appropriate to the charity's needs and obligations.

Principal funding sources

The principal source of funding is for DISC via ESFA and Local Authority funding. We have developed a fundraising strategy but have not deployed this as yet. We continue to apply for grants from funding bodies and foundations that prioritise education and training for SEND young people and others that maybe socially excluded.

Plans for future periods

Aims and key objectives for future periods

Expansion to a new site is being planned for September 2025 with measures being taken to ensure the Charity fulfils its regulatory obligations and financial requirements. All stakeholders including ESFA and Local Authorities are engaged in conversations about this expansion.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Recruitment and appointment of trustees

There were no Trustees Appointed during this period.

Digital Advantage

Trustees' Report

Induction and training of trustees

All Trustees have received guidance issued to Trustees by the Charities Commission. In addition, all trustees are made aware of their statutory obligations in relation to:

- a) Keeping children safe in education
- b) Working-together-to-safeguard-children

Relationships with related parties

The White Room Consultancy Limited

The CEO is a director of the above company.

SENDCode

The charity entered a Heads of Agreement with SENDCode, a CIC closely aligned with their mission and purpose.

Major risks and management of those risks

Risk management

The Charity runs an ongoing Risk assessment tool that is maintained by our COO and overseen by the Exec Group, and Board of Trustees. The principal risks at present are related to an Ofsted Inspection that is due before September 2025 and the expansion of DISC college to another site in September 2025.

We had an Ofsted Monitoring Visit in Jan 30/31 2024 and were deemed to be making 'Reasonable Progress' in all areas.

Since that time, we have employed a consultant working weekly with the team, to undertake a Quality Assurance programme which is operationalised through the ongoing College Improvement Plan (CIP). We have also brought in specialists in Safeguarding and Teaching and Learning to improve our systems, practice and evidence recording.

The annual report was approved by the trustees of the charity on 15 May 2025 and signed on its behalf by:



.....
Ashley Boroda
Chairman and Trustee

Digital Advantage

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

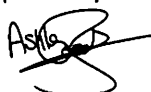
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 15 May 2025 and signed on its behalf by:



.....

Ashley Boroda
Chairman and trustee

Digital Advantage

Independent Examiner's Report to the trustees of Digital Advantage

I report to the trustees on my examination of the accounts of Digital Advantage for the year ended 31 July 2024.

Responsibilities and basis of report

As the charity trustees of Digital Advantage you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Digital Advantage's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.


Independent examiner's statement

Since Digital Advantage's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Digital Advantage as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
John Saxon F.C.A.
Institute of Chartered Accountants in England and Wales

The Moffatts Partnership LLP
Chartered Accountants
Suite 1.1, Jackson House
Sibson Road
Sale
M33 7RR

15 May 2025

Digital Advantage

Statement of Financial Activities for the Year Ended 31 July 2024

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	2	6,640	30,634	37,274	101,638
Charitable activities	3	871,952	-	871,952	397,002
Investment income	4	3	-	3	-
Total income		<u>878,595</u>	<u>30,634</u>	<u>909,229</u>	<u>498,640</u>
Expenditure on:					
Charitable activities	5	<u>(863,392)</u>	<u>-</u>	<u>(863,392)</u>	<u>(525,175)</u>
Total expenditure		<u>(863,392)</u>	<u>-</u>	<u>(863,392)</u>	<u>(525,175)</u>
Net income/(expenditure)		<u>15,203</u>	<u>30,634</u>	<u>45,837</u>	<u>(26,535)</u>
Net movement in funds		15,203	30,634	45,837	(26,535)
Reconciliation of funds					
Total funds brought forward		<u>(11,109)</u>	<u>-</u>	<u>(11,109)</u>	<u>15,426</u>
Total funds carried forward	19	<u>4,094</u>	<u>30,634</u>	<u>34,728</u>	<u>(11,109)</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 19.

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

Digital Advantage

(Registration number: 1188836)

Balance Sheet as at 31 July 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	12	1	1
Tangible assets	13	51,857	14,282
		<u>51,858</u>	<u>14,283</u>
Current assets			
Debtors	14	37,901	17,629
Cash at bank and in hand	15	147,284	172,081
		185,185	189,710
Creditors: Amounts falling due within one year	16	<u>(64,998)</u>	<u>(49,636)</u>
Net current assets		<u>120,187</u>	<u>140,074</u>
Total assets less current liabilities		172,045	154,357
Creditors: Amounts falling due after more than one year	17	<u>(137,315)</u>	<u>(165,466)</u>
Net assets/(liabilities)		<u>34,730</u>	<u>(11,109)</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	19	30,634	-
Unrestricted income funds			
Unrestricted funds		<u>4,096</u>	<u>(11,109)</u>
Total funds	19	<u>34,730</u>	<u>(11,109)</u>

The financial statements on pages 11 to 27 were approved by the trustees, and authorised for issue on 15 May 2025 and signed on their behalf by:



.....
Ashley Boroda
Chairman and Trustee

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

Digital Advantage

Cash Flow Statement for the Year Ended 31 July 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income/(expenditure)		45,837	(26,535)
Adjustments to cash flows from non-cash items			
Depreciation		18,687	3,989
Investment income		(3)	-
		<u>64,521</u>	<u>(22,546)</u>
Working capital adjustments			
(Increase)/decrease in debtors	14	(20,272)	184
Increase in creditors	16	11,622	4,517
Increase/(decrease) in deferred income	17	1,973	(8,333)
Net cash flows from operating activities		<u>57,844</u>	<u>(26,178)</u>
Cash flows from investing activities			
Interest received		3	-
Acquisitions of tangible assets		(56,262)	(9,916)
Net cash flows from investing activities		(56,259)	(9,916)
Cash flows from financing activities			
Repayment of bank borrowings		(26,382)	(2,122)
Net decrease in cash and cash equivalents		(24,797)	(38,216)
Cash and cash equivalents at 1 August		<u>172,081</u>	<u>210,297</u>
Cash and cash equivalents at 31 July		<u>147,284</u>	<u>172,081</u>

All of the cash flows are derived from continuing operations during the above two periods.

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

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Digital Advantage meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The financial statements have been prepared on a going concern basis.

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 charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

Charitable activities

Income received for providing goods and services in return for a fee as part of the charitable activities is recognised in the SoFA to the extent that the charity has provided the service or goods. Where income is received in advance and the charity does not have entitlement to those resources until the goods or services have been provided the income received in advance is deferred until the charity becomes entitled to the resources.

Income derived from performance-related grants that is conditional upon the delivery of a specified level of service is recognised to the extent that the charity has provided the services or goods.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity 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 charity 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.

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	20% straight line basis
Computer equipment	25% straight line basis
Leasehold Improvements	33% straight line basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Grants, including capital grants;				
Government grants	-	18,800	18,800	30,000
Grants from other charities	6,640	11,834	18,474	55,783
Donations from community groups	-	-	-	15,855
	<u>6,640</u>	<u>30,634</u>	<u>37,274</u>	<u>101,638</u>

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

3 Income from charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Income from training and education provision	870,089	870,089	373,932
Income from recharges of salaries and admin costs	-	-	(1,227)
Other income	255	255	9,728
Income from letting of non - investment property	1,608	1,608	14,569
	<u>871,952</u>	<u>871,952</u>	<u>397,002</u>

4 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>3</u>	<u>3</u>	<u>-</u>

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

5 Expenditure on charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Wages and salaries	581,466	581,466	298,222
Training and workshops	76,013	76,013	124,574
Premises expenses	78,067	78,067	36,719
Insurance	2,379	2,379	1,801
Telephone	4,806	4,806	3,547
Printing and stationery	1,602	1,602	607
Advertising and Marketing	3,784	3,784	5,612
IT costs	15,733	15,733	4,476
Subscriptions	8,761	8,761	6,732
Staff training	6,879	6,879	2,565
Travel costs	5,723	5,723	2,443
Office costs	6,581	6,581	6,194
Depreciation	18,687	18,687	3,989
Loan interest	8,877	8,877	10,462
Charitable Donations	790	790	-
Governance costs	43,244	43,244	17,232
	<u>863,392</u>	<u>863,392</u>	<u>525,175</u>

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	2,052	2,052	2,000
Legal fees	24,584	24,584	10,112
Other governance costs	16,608	16,608	5,120
	<u>43,244</u>	<u>43,244</u>	<u>17,232</u>

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

7 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>18,687</u>	<u>3,989</u>

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Mrs Naomi Louise Timperley

Mrs Naomi Louise Timperley received remuneration of £Nil (2023: £5,800) during the year.

Remuneration has been paid for training services provided to the charity and not in their capacity as a trustee. This is permitted by the charity's constitution.

Mr Beck Cromack-Hough

Mr Beck Cromack-Hough received remuneration of £3,528 (2023: £Nil) during the year.

Remuneration has been paid for delivering social media, marketing services to the charity and not in their capacity as a trustee. This is permitted by the charity's constitution.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	524,398	270,914
Social security costs	45,376	21,428
Pension costs	<u>11,693</u>	<u>5,880</u>
	<u>581,467</u>	<u>298,222</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Senior management team	5	3
Administration	<u>13</u>	<u>7</u>
	<u>18</u>	<u>10</u>

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

12 (2023 - 7) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year

10 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	<u>2,052</u>	<u>2,000</u>

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 August 2023	<u>1</u>	<u>1</u>
At 31 July 2024	1	1
Amortisation		
At 31 July 2024	<u>-</u>	<u>-</u>
Net book value		
At 31 July 2024	<u>1</u>	<u>1</u>
At 31 July 2023	<u>1</u>	<u>1</u>

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 August 2023	-	20,816	20,816
Additions	29,953	26,309	56,262
At 31 July 2024	29,953	47,125	77,078
Depreciation			
At 1 August 2023	-	6,534	6,534
Charge for the year	9,984	8,703	18,687
At 31 July 2024	9,984	15,237	25,221
Net book value			
At 31 July 2024	19,969	31,888	51,857
At 31 July 2023	-	14,282	14,282

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £19,968 (2023 - £Nil) in respect of leaseholds.

14 Debtors

	2024 £	2023 £
Trade debtors	4,876	432
Prepayments	9,248	13,405
Accrued income	7,463	-
VAT recoverable	7,878	2,176
Other debtors	8,436	1,616
	37,901	17,629

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

15 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	98	-
Cash at bank	147,186	172,081
	<u>147,284</u>	<u>172,081</u>

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	21,210	8,739
Other loans	28,151	26,384
Other taxation and social security	12,084	7,050
Other creditors	15	2,119
Accruals	1,565	5,344
Deferred income	1,973	-
	<u>64,998</u>	<u>49,636</u>

17 Creditors: amounts falling due after one year

	2024 £	2023 £
Other loans	93,343	121,494
Other creditors	43,972	43,972
	<u>137,315</u>	<u>165,466</u>

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £11,693 (2023 - £5,880).

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

19 Funds

	Balance at 1 August 2023 £	Incoming resources £	Resources expended £	Balance at 31 July 2024 £
Unrestricted funds				
<i>General</i>				
Unrestricted Funds	(11,109)	878,595	(863,390)	4,096
Restricted funds				
Supported Internships	-	11,834	-	11,834
Your DNA	-	18,800	-	18,800
Total restricted funds	-	30,634	-	30,634
Total funds	(11,109)	909,229	(863,390)	34,730
	Balance at 1 July 2022 £	Incoming resources £	Resources expended £	Balance at 31 July 2023 £
Unrestricted funds				
<i>General</i>				
Unrestricted Funds	(14,407)	468,640	(465,342)	(11,109)
Restricted				
Supported Internships	29,833	-	(29,833)	-
Your DNA	-	30,000	(30,000)	-
Total restricted funds	29,833	30,000	(59,833)	-
Total funds	15,426	498,640	(525,175)	(11,109)

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

20 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 July 2024 £
Intangible fixed assets	1	-	1
Tangible fixed assets	51,857	-	51,857
Current assets	154,551	30,634	185,185
Current liabilities	(64,998)	-	(64,998)
Creditors over 1 year	(137,315)	-	(137,315)
Total net assets	<u>4,096</u>	<u>30,634</u>	<u>34,730</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 July 2023 £
Intangible fixed assets	1	-	1
Tangible fixed assets	14,282	-	14,282
Current assets	189,710	-	189,710
Current liabilities	(49,636)	-	(49,636)
Creditors over 1 year	(165,466)	-	(165,466)
Total net assets	<u>(11,109)</u>	<u>-</u>	<u>(11,109)</u>

Digital Advantage

Notes to the Financial Statements for the Year Ended 31 July 2024

21 Analysis of net funds

	At 1 July 2023	Financing cash flows	Other non cash changes	At 31 July 2024
Cash at bank and in hand	172,081	(24,797)	-	147,284
Debt due within one year	(26,384)	26,384	(28,151)	(28,151)
Debt due after more than one year	(165,466)	-	28,151	(137,315)
Net Debt	<u>(19,769)</u>	<u>1,587</u>	<u>-</u>	<u>(18,182)</u>

	At 1 July 2022	Financing cash flows	Other non cash changes	At 31 July 2023
Cash at bank and in hand	210,297	(38,216)	-	172,081
Debt due within one year			(26,384)	(26,384)
Debt due after more than one year	(193,972)	2,122	26,384	(165,466)
Net Debt	<u>16,325</u>	<u>(36,094)</u>	<u>-</u>	<u>(19,769)</u>

22 Related party transactions

During the year the charity made the following related party transactions:

The White Room Consultancy Limited

(The CEO of Digital Advantage is a director of the above company.)

In a prior year The White Room Consultancy Limited provided loans to the charity to assist with cash flow. At the balance sheet date the amount due to The White Room Consultancy Limited was £43,972 (2023 - £43,972).

Digital Advantage

Statement of Financial Activities by fund for the Year Ended 31 July 2024

	Total Unrestricted Funds 2024 £	Total Unrestricted Funds 2023 £
Income and Endowments from:		
Donations and legacies	6,640	71,638
Charitable activities	871,952	397,002
Investment income	<u>3</u>	<u>-</u>
Total income	<u>878,595</u>	<u>468,640</u>
Expenditure on:		
Charitable activities	<u>(863,392)</u>	<u>(465,342)</u>
Total expenditure	<u>(863,392)</u>	<u>(465,342)</u>
Net income	<u>15,203</u>	<u>3,298</u>
Net movement in funds	15,203	3,298
Reconciliation of funds		
Total funds brought forward	<u>(11,109)</u>	<u>(14,407)</u>
Total funds carried forward	<u><u>4,094</u></u>	<u><u>(11,109)</u></u>

Digital Advantage

Statement of Financial Activities by fund for the Year Ended 31 July 2024

	Total Restricted Funds 2024 £	Total Restricted Funds 2023 £
Income and Endowments from:		
Donations and legacies	<u>30,634</u>	<u>30,000</u>
Total income	<u>30,634</u>	<u>30,000</u>
Expenditure on:		
Charitable activities	<u>-</u>	<u>(59,833)</u>
Total expenditure	<u>-</u>	<u>(59,833)</u>
Net income/(expenditure)	<u>30,634</u>	<u>(29,833)</u>
Net movement in funds	30,634	(29,833)
Reconciliation of funds		
Total funds brought forward	<u>-</u>	<u>29,833</u>
Total funds carried forward	<u><u>30,634</u></u>	<u><u>-</u></u>

This page does not form part of the statutory financial statements.