

Charity registration number: 1188836

# Digital Advantage

Annual Report and Financial Statements

for the Year Ended 31 July 2025

## **Digital Advantage**

### **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 9
Statement of Trustees' Responsibilities	10
Independent Auditors' Report	11 to 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18 to 34

## **Digital Advantage**

### **Reference and Administrative Details**

<b>Chairman</b>	Mr James Davies, (appointed 1st June 2025)
<b>Trustees</b>	Ashley Boroda Mr Michael Anthony McNamara, (resigned July 2025) Mrs Sarah-Jane Musique-Hargreaves Mrs Naomi Louise Timperley, (resigned June 2025) Miss Diane May Ainsworth Mrs Kate Dodd, (resigned 13th November 2024) Mr Beck Cromack-Hough, (resigned 31st December 2024) Mr Philip Arnold, (resigned 31st January 2025) Ms Julia Owen, (appointed 1st June 2025) Miss Katrina Gallagher, (appointed 1st June 2025) Mr James Davies, (appointed 1st June 2025)
<b>Senior Management / Leadership Team</b>	Mr Rav Gehlon, Managing Director Mr Andy Lovatt, CEO, (resigned 16th May 2025) Mr Ezra Rushen, Creative Director Mr Seamus Mannion, COO Caroline Dean, Head of College (DISC) Mr Adam Rawling, CFO & Interim CEO
<b>Charity Registration Number</b>	1188836
<b>Principal Office</b>	Third Floor Holyoake House Hanover Street Manchester M60 0AS
<b>Auditor</b>	The Moffatts Partnership LLP Chartered Accountants Suite 1.1, Jackson House Sibson Road Sale M33 7RR
<b>Bankers</b>	Co-operative Bank 1 Balloon Street Manchester M4 4BE

## **Digital Advantage**

### **Trustees' Report**

The trustees present the annual report together with the financial statements and auditors' report of the charity for the year ended 31 July 2025.

#### **Structure, governance and management**

##### ***Nature of governing document***

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

##### ***Recruitment and appointment of trustees***

Trustees were appointed during the financial year. James Davies, Julia Owen and Katrina Gallager joined the Board on 1 June 2025.

New Trustees undertake an induction process and experienced, established Trustees are available to them for guidance and reference. Further details of the recruitment process and responsibilities are available in the Memorandum and Articles of Association.

##### ***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

##### ***Arrangements for setting key management personnel remuneration***

Remuneration for key personnel is set by the board with amounts being reviewed annually. As per the Memorandum and Articles of Association, a trustee or a connected person may be employed by the Charity or engaged to provide services to the Charity provided the remuneration is properly proportionate to the value of the services provided and that a majority of the trustees do not benefit in this way.

##### ***Organisational structure***

The charity is managed by the Board of Trustees. The Trustees meet regularly to set the strategic direction of the charity, approve the annual budget and monitor performance against that budget.

Andrew Lovatt was appointed by the Trustees to manage the day-to-day operations of the charity and was delegated authority to make operational decisions. Andrew Lovatt stepped back from his role on 16 May 2025 and, following a period of special leave and garden leave, his employment terminated on 25 December 2025.

During this transitional period, Adam Rawling, who was serving as Fractional CFO at the time, was appointed Interim CEO on a part-time basis from 2 June 2025. Responsibility for the general day-to-day management of the charity on site continues to be delegated to members of the senior leadership team.

The process to appoint a permanent CEO is underway and is expected to conclude during FY2026.

## **Digital Advantage**

### **Trustees' Report**

#### **Relationships with related parties**

##### **The White Room Consultancy Limited**

Andrew Lovatt, the CEO for the financial year 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 the expansion of DISC college to another site in Salford.

We had a full Ofsted visit in May 2025 and received an overall GOOD rating following our first full Ofsted inspection since inception. The breakdown of categories and gradings was as follow:

- Quality of Education – Good
- Behaviour & Attitudes - Outstanding
- Personal Development – Outstanding
- Leadership & Management - Good
- Provision for learners with high needs - Good

## Digital Advantage

### Trustees' Report

#### 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. The funding climate continues to be a challenge, so due to that and a large operational focus on DISC (see below) we have reached fewer young people overall this year, but those that we do reach, remain largely from hard-to-reach communities. We provided training, support, advice and guidance to one School (Eden Boys) from mainstream education; and worked with a further 10 SEND cohorts across Lancashire and Greater Manchester.

ii) Disabled people. Our Independent Specialist College DISC is based in Manchester City Centre. During this year we provided 43 places on our Foundation, Gateway and Supported Internships for young people with SEND. Our interns came from Bury, Cheshire East, Derbyshire, Manchester, Oldham, Salford, Stockport, Stoke, Tameside and Trafford. We also provided 8 places ranging from 2 months to a full year, on our Alternative Provision. We worked in partnership with 34 organisations to develop industry work briefs, visits and talks and ultimately paid sustainable employment for our interns. We continued to proactively engage with Greater Manchester Combined Authority, Manchester City Council, Greater Manchester Learning Provider Network, Lancashire County Council & Future U providing help, expertise and guidance to them with supported pathways and training to help get SEND young people into the digital workforce.

iii) SEND for Schools and Colleges. We have delivered services to 110+ 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. Given our focus on SEND, in particular the continued establishment of DISC, we have not worked with this group during this period.

## **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 may be through advocacy through business networks to create industry workshops and employment opportunities; providing a voice for young people with 'lived experience' of additional needs; using their experience in education to help develop our curriculum and education networks; working with employees to support Neurodiverse staff; advocating ND employment through legal DEI networks and events 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 from Charities Aid Foundation.

#### ***Grant making policies***

We are not a grant making body.

#### ***Use of volunteers***

We have engaged a total of 13 volunteers this year from the strategic involvement of the Trustees and Board of Governors. We have also had input from 55 industry speakers at DISC, through to informal industry mentors and work experience partners.

## Digital Advantage

### Trustees' Report

#### **Achievements and performance**

##### *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. The funding environment for educational provision remains extremely tight. Allied to this, the majority of our resources have gone into the continued development of DISC which has exceeded expectations.

##### *Investment performance against objectives*

We neither sought nor received additional investment during this period.

##### *Innovation - New Products and Services*

Our long-held ambition to set up a second DISC site came closer to realisation with approval in early 2025. We have identified premises in Salford which will open in September 2025. This will allow us to grow our DISC intern numbers from 43 to around 55 for 25/26. The new site will house at least 2 of our DISC intern pathways and enable us to explore new services such as an Accessibility Testing Lab with other partners - both diversifying our services and income lines.

We offer 2 refined and focused services with, and for specific audiences:

#### **Digital Supported Internship**

DISC 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 delivery model to contain 4 pathways for young people:

- o Foundation 1 - 3 days per week to build digital skills and independence
- o Foundation 2 - 4 days per week where they work on digital briefs which develop employability skill
- o Gateway - a 4-day course designed to embed professional foundations alongside preparing interns for adulthood as they near the job market and independence
- o Supported Internship - a one-year programme supporting young people into paid employment.

Our progression rates were excellent with 7 out of 8 Supported Interns moving onto positive destinations - further or higher education, - and a further 29 Foundation1, Foundation 2 and Gateway learners progressing within DISC or FE elsewhere.

#### **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 140 young people this year - comprised from 6 cohorts in Greater Manchester and 8 cohorts in Lancashire.



## Digital Advantage

### Trustees' Report

#### **Financial review**

At the end of the financial year to 31 July 2025, Digital Advantage remains in a strong and stable financial position. We generated a total income of £1,265,195 (2024: £909,229), demonstrating continued growth and reflecting the positive impact of our work. After covering all operational and delivery costs, we achieved a surplus of £14,076 (2024: £45,837) which will be reinvested into the charity's future development and delivery.

As of 31 July 2025, our total reserves stood at £28,945 (2024: £30,634) comprising in restricted funds (which are committed to specific projects or purposes in the coming year), and £19,861 (2024: £4,096) 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 2026, 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 our 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.

#### ***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 are restricted funds (£28,945), 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 (£19,861) 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.

## **Digital Advantage**

### **Trustees' Report**

#### ***Funds in deficit***

There are no funds in deficit.

#### ***Principal funding sources***

The principal source of funding is for DISC via ESFA and Local Authority funding.

#### ***Investment policy and objectives***

We received a Social Investment loan from CAF. This runs till 2028. We have no plans to extend this at the present time.

#### ***Plans for future periods***

##### ***Aims and key objectives for future periods***

- We continue to and will continue to employ an education 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.
- Expansion to a new site in Salford 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. Also needs significant investment in IT for safeguarding and future proofing as well as physical set up.

#### ***Going concern***

The trustees are satisfied that the charity remains a going concern for a period in excess of twelve months.

#### ***Creditor payment policy***

Invoices are paid in accordance with the requested payment terms.

#### ***Disclosure of information to auditor***

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### ***Reappointment of auditor***

The auditors The Moffatts Partnership LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

## Digital Advantage

### Trustees' Report

The annual report was approved by the trustees of the charity on 24 February 2026 and signed on its behalf by:



.....  
Mr James Davies  
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 24 February 2026 and signed on its behalf by:



.....  
Mr James Davies  
Chairman and trustee

## **Digital Advantage**

### **Independent Auditor's Report to the Members of Digital Advantage**

#### **Opinion**

We have audited the financial statements of Digital Advantage (the 'charity') for the year ended 31 July 2025, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2025 and of its incoming resources and application of resources, including 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 Charities Act 2011.

#### **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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

#### **Other Matter**

The charity's financial statements for the year ended 31st July 2024 were not audited. Therefore, the corresponding figures shown for the year ended 31st July 2024 are unaudited.

#### **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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

#### **Other information**

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

## **Digital Advantage**

### **Independent Auditor's Report to the Members of Digital Advantage**

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

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity 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 where the Charities (Accounts and Report) Regulations 2008 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 10), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **Digital Advantage**

### **Independent Auditor's Report to the Members of Digital Advantage**

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.

Based on our understanding of the company, we identified that the principle risks of non-compliance with laws and regulations related to breaches of the legal and regulatory framework that the company operates in. We considered the extent to which non-compliance might have a material effect on the financial statements. The key laws and regulations we considered in this context included Charities Act 2011, Employment Law, Health and Safety and Tax Legislation.

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

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- enquiring of management as to actual and potential litigation and claims.

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:

- Discussions with management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- 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;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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 as to where they considered there was susceptibility to fraud, 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 set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control systems, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned in accordance with ISAs (UK).

## Digital Advantage

### Independent Auditor's Report to the Members of Digital Advantage

We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

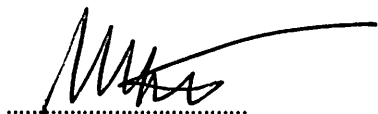
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

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

#### Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



John Saxon F.C.A (Senior Statutory Auditor)

For and on behalf of The Moffatts Partnership LLP, Statutory Auditor

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

24 February 2026

The Moffatts Partnership LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



## Digital Advantage

### Statement of Financial Activities for the Year Ended 31 July 2025 (Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	10,643	50,810	61,453	37,274
Charitable activities	3	1,203,742	-	1,203,742	871,952
Investment income	4	-	-	-	3
Total income		<u>1,214,385</u>	<u>50,810</u>	<u>1,265,195</u>	<u>909,229</u>
<b>Expenditure on:</b>					
Charitable activities	5	<u>(1,212,140)</u>	<u>(38,979)</u>	<u>(1,251,119)</u>	<u>(863,392)</u>
Total expenditure		<u>(1,212,140)</u>	<u>(38,979)</u>	<u>(1,251,119)</u>	<u>(863,392)</u>
Net income		2,245	11,831	14,076	45,837
Gross transfers between funds		<u>13,520</u>	<u>(13,520)</u>	-	-
Net movement in funds		15,765	(1,689)	14,076	45,837
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>4,096</u>	<u>30,634</u>	<u>34,730</u>	<u>(11,109)</u>
Total funds carried forward	22	<u><u>19,861</u></u>	<u><u>28,945</u></u>	<u><u>48,806</u></u>	<u><u>34,728</u></u>

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

The funds breakdown for 2024 is shown in note 22.

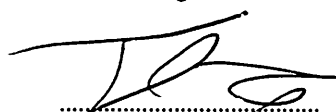
The notes on pages 18 to 34 form an integral part of these financial statements.

## Digital Advantage

**(Registration number: 1188836)**  
**Balance Sheet as at 31 July 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Intangible assets	13	1	1
Tangible assets	14	<u>59,267</u>	<u>51,857</u>
		<u>59,268</u>	<u>51,858</u>
<b>Current assets</b>			
Debtors	15	44,021	30,023
Cash at bank and in hand	16	<u>317,843</u>	<u>147,284</u>
		361,864	177,307
<b>Creditors: Amounts falling due within one year</b>	17	<u>(265,046)</u>	<u>(57,120)</u>
<b>Net current assets</b>		<u>96,818</u>	<u>120,187</u>
<b>Total assets less current liabilities</b>		156,086	172,045
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(107,280)</u>	<u>(137,315)</u>
<b>Net assets</b>		<u>48,806</u>	<u>34,730</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	22	28,945	30,634
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>19,861</u>	<u>4,096</u>
<b>Total funds</b>	22	<u>48,806</u>	<u>34,730</u>

The financial statements on pages 15 to 34 were approved by the trustees, and authorised for issue on 24 February 2026 and signed on their behalf by:



.....  
Mr James Davies  
Chairman and Trustee

## Digital Advantage

### Cash Flow Statement for the Year Ended 31 July 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash income		14,076	45,837
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		28,736	18,687
Investment income	4	<u>-</u>	<u>(3)</u>
		42,812	64,521
<b>Working capital adjustments</b>			
Increase in debtors	15	(13,998)	(14,570)
Increase in creditors	17	208,015	5,920
(Decrease)/increase in deferred income	18	<u>(1,973)</u>	<u>1,973</u>
Net cash flows from operating activities		<u>234,856</u>	<u>57,844</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	4	-	3
Purchase of tangible fixed assets	14	<u>(36,146)</u>	<u>(56,262)</u>
Net cash flows from investing activities		(36,146)	(56,259)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	17	<u>(28,151)</u>	<u>(26,382)</u>
Net increase/(decrease) in cash and cash equivalents		170,559	(24,797)
Cash and cash equivalents at 1 August		<u>147,284</u>	<u>172,081</u>
Cash and cash equivalents at 31 July		<u><u>317,843</u></u>	<u><u>147,284</u></u>

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

The notes on pages 18 to 34 form an integral part of these financial statements.

## **Digital Advantage**

### **Notes to the Financial Statements for the Year Ended 31 July 2025**

#### **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 confirm that there are no material uncertainties about the charity's ability to continue for at least 12 months from the date of approval.

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.

##### **Adjusting events after the financial period**

Andrew Lovatt stepped back from his role on 16 May 2025 and, following a period of special leave and garden leave, his employment terminated on 25 December 2025. As part of his settlement agreement signed 2nd July 2025, it was agreed that he would receive a termination payment equal to one month's salary. The trustees determined that a constructive obligation existed at the reporting date and therefore an accrual has been brought in for the total cost to the employer of the employee's remuneration, benefits and termination payment.

##### **Judgements**

There were no judgements made in the year.

##### **Key sources of estimation uncertainty**

There were no key sources of estimation uncertainty made in the year.

##### **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.

## **Digital Advantage**

### **Notes to the Financial Statements for the Year Ended 31 July 2025**

#### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

#### ***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. Where entitlement occurs before income is received, the income is accrued.

All capital grants received are recognised in the SOFA and credited to a separate restricted fund where there are restrictions on the future use of the fund.

#### ***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.

#### ***Charitable activities***

The charity's principal activity is the provision of specialist education and support for learners with Special Educational Needs and Disabilities (SEND). The majority of income is received from the Department for Education (DfE) and Local Authorities through the high needs funding system, comprising Element 1, Element 2, and Element 3 funding.

Income from education-related activities is recognised when:

- the charity has entitlement to the funding;
- receipt is probable;
- and the amount can be reliably measured.

Element 1 and 2 funding is recognised over the academic year to which it relates.

Element 3 (top-up) funding is recognised in line with the delivery of individual support and provision agreed with each Local Authority.

Any amounts relating to services not yet provided at the reporting date are included as deferred income within creditors.

## **Digital Advantage**

### **Notes to the Financial Statements for the Year Ended 31 July 2025**

#### **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.

#### **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.

#### **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:

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

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 and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

#### 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

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### 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 funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the Financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aims of the restricted funds are set out in the notes to the Financial statements.

## **Digital Advantage**

### **Notes to the Financial Statements for the Year Ended 31 July 2025**

#### **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.

##### ***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.



## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and legacies;				
Donations from individuals	643	-	643	-
Grants, including capital grants;				
Government grants	-	50,810	50,810	30,634
Grants from other charities	10,000	-	10,000	6,640
	<u>10,643</u>	<u>50,810</u>	<u>61,453</u>	<u>37,274</u>

Grants from the government included £30,634 of restricted income in the prior period. All other income from donations and legacies in the prior period was unrestricted.

#### 3 Income from charitable activities

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Income from training and education provision	1,203,742	1,203,742	870,089
Other income	-	-	255
Income from letting of non - investment property	-	-	1,608
	<u>1,203,742</u>	<u>1,203,742</u>	<u>871,952</u>

All income from charitable activities in the prior period was unrestricted, of which £497,172 (2024: £289,582) was 16-19 education funding from the Department of Education (DfE).

#### 4 Investment income

	Total 2025 £	Total 2024 £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>-</u>	<u>3</u>

All investment income in the prior period was unrestricted.

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 5 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Wages and salaries	755,291	13,688	768,979	581,466
Training and workshops	76,883	18,800	95,683	76,013
Premises expenses	152,458	-	152,458	78,067
Insurance	6,394	-	6,394	2,379
Telephone	4,675	-	4,675	4,806
Printing and stationery	2,078	-	2,078	1,602
Advertising and Marketing	748	-	748	3,784
IT costs	30,306	-	30,306	15,733
Subscriptions	12,146	-	12,146	8,761
Staff training	4,999	-	4,999	6,879
Staff Medical Insurance	2,759	-	2,759	-
Staff Entertainment	1,085	-	1,085	-
Travel costs	9,248	-	9,248	5,723
Office costs	12,952	6,491	19,443	6,581
Depreciation	28,736	-	28,736	18,687
Loan interest	7,068	-	7,068	8,877
Charitable Donations	260	-	260	790
Bad Debt	522	-	522	-
Governance costs	103,532	-	103,532	43,244
	<u>1,212,140</u>	<u>38,979</u>	<u>1,251,119</u>	<u>863,392</u>

All expenditure in the prior period related to unrestricted funds.

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 6 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Audit fees			
Audit of the financial statements	8,000	8,000	-
Other fees paid to auditors	1,944	1,944	-
Independent examiner fees			
Examination of the financial statements	-	-	2,052
Legal fees	58,670	58,670	24,584
Other governance costs	34,918	34,918	16,608
	<u>103,532</u>	<u>103,532</u>	<u>43,244</u>

#### 7 Auditors' remuneration

	2025 £	2024 £
Audit of the financial statements	<u>8,000</u>	<u>-</u>
Other fees to auditors		
All other non-audit services	<u>1,944</u>	<u>-</u>

#### 8 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	<u>-</u>	<u>2,052</u>

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2025 £	2024 £
Audit fees	8,000	-
Depreciation of fixed assets	<u>28,735</u>	<u>18,687</u>

## **Digital Advantage**

### **Notes to the Financial Statements for the Year Ended 31 July 2025**

#### **10 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 £1,600 (2024: £Nil) 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 £3,747 (2024: £3,528) 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.

##### **Ashley Boroda**

Ashley Boroda received remuneration of £1,705 (2024: £495) 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.

##### **Miss Diane May Ainsworth**

Miss Diane May Ainsworth received remuneration of £9,875 (2024: £Nil) during the year.

Remuneration has been paid for delivering educational consultancy 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.

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
<b>Staff costs during the year were:</b>		
Wages and salaries	686,016	524,398
Social security costs	64,258	45,376
Pension costs	18,705	11,693
	<u>768,979</u>	<u>581,467</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:

	2025 No	2024 No
Senior management team	5	5
Administration	17	13
	<u>22</u>	<u>18</u>

12 (2024 - 12) of the above employees participated in the Defined Contribution Pension Schemes.

During the year, the charity made redundancy and/or termination payments which totalled £32,068 (2024 - £Nil).

The number of employees whose emoluments fell within the following bands was:

	2025 No
£60,001 - £70,000	<u>1</u>

The total employee benefits of the key management personnel of the charity were £325,744 (2024 - £279,893).

The chief executive officer, as the highest paid member of staff, received benefits totalling £98,284 (2024 - £62,939).

#### 12 Taxation

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

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 13 Intangible fixed assets

	Goodwill £	Total £
<b>Cost</b>		
At 1 August 2024	<u>1</u>	<u>1</u>
At 31 July 2025	1	1
<b>Amortisation</b>		
At 31 July 2025	<u>-</u>	<u>-</u>
<b>Net book value</b>		
At 31 July 2025	<u>1</u>	<u>1</u>
At 31 July 2024	<u>1</u>	<u>1</u>

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 August 2024	29,953	47,125	77,078
Additions	<u>6,250</u>	<u>29,896</u>	<u>36,146</u>
At 31 July 2025	<u>36,203</u>	<u>77,021</u>	<u>113,224</u>
<b>Depreciation</b>			
At 1 August 2024	9,984	15,237	25,221
Charge for the year	<u>12,068</u>	<u>16,668</u>	<u>28,736</u>
At 31 July 2025	<u>22,052</u>	<u>31,905</u>	<u>53,957</u>
<b>Net book value</b>			
At 31 July 2025	<u>14,151</u>	<u>45,116</u>	<u>59,267</u>
At 31 July 2024	<u>19,969</u>	<u>31,888</u>	<u>51,857</u>

Included within the net book value of land and buildings above is £Nil (2024 - £Nil) in respect of freehold land and buildings and £14,151 (2024 - £19,968) in respect of leaseholds.

#### 15 Debtors

	2025 £	2024 £
Trade debtors	5,825	4,876
Prepayments	21,872	9,248
Accrued income	-	7,463
Other debtors	<u>16,324</u>	<u>8,436</u>
	<u>44,021</u>	<u>30,023</u>

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 16 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	-	98
Cash at bank	317,843	147,186
	<u>317,843</u>	<u>147,284</u>

#### 17 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	35,280	21,210
Other loans	30,036	28,151
Other taxation and social security	49,585	4,206
Other creditors	111,478	15
Accruals	38,667	1,565
Deferred income	-	1,973
	<u>265,046</u>	<u>57,120</u>

	2025 £	2024 £
Deferred income at 1 August 2024	(1,973)	-
Resources deferred in the period	-	(1,973)
Amounts released from previous periods	1,973	-
Deferred income at year end	<u>-</u>	<u>(1,973)</u>

The value of deferred income relates to Local Authority Element 3 funding income that has been received during the year that relates to future periods.

#### 18 Creditors: amounts falling due after one year

	2025 £	2024 £
Other loans	63,307	93,343
Other creditors	43,973	43,972
	<u>107,280</u>	<u>137,315</u>



## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 19 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
<b>Land and buildings</b>		
Within one year	126,046	90,005
Between one and five years	190,000	82,504
After five years	3,958	-
	<u>320,004</u>	<u>172,509</u>

The new 5 year lease taken just before the year end in respect of the the Salford site contains a break clause allowing the charity to terminate the lease on 1st July 2028, subject to giving written notice.

Management has assessed the likelihood of exercising the break clause and considers it not reasonably certain that the break will be taken. As such, the above commitments are disclosed to the full lease end date.

#### 20 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 £18,705 (2024 - £11,693).

#### 21 Commitments

##### Capital commitments

At 31st July 2025 the charity had capital commitments contracted for, consisting of the purchase of computer hardware and screens as well as a full IT Infrastructure update in relation to the charities expansion into their new leased site at Salford.

These costs were largely covered by the DfE Devolved Formula Funding received within the financial year ending 31st July 2025 of which the remaining amount carried forward as restricted funds at the year end totaled £28,946. The remaining cost is expected to be funded by the unrestricted reserves held at the year end.

The total amount contracted for but not provided in the financial statements was £38,250 (2024 - £Nil).

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 22 Funds

	Balance at 1 August 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 July 2025 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted Funds	4,096	1,214,385	(1,212,140)	13,520	19,861
<b>Restricted funds</b>					
DfE Devolved Formula Capital (DFC)	11,834	30,631	-	(13,520)	28,945
The Access Foundation	18,800	-	(18,800)	-	-
Access to Work Grant	-	20,179	(20,179)	-	-
<b>Total restricted funds</b>	<u>30,634</u>	<u>50,810</u>	<u>(38,979)</u>	<u>(13,520)</u>	<u>28,945</u>
<b>Total funds</b>	<u>34,730</u>	<u>1,265,195</u>	<u>(1,251,119)</u>	<u>-</u>	<u>48,806</u>

	Balance at 1 August 2023 £	Incoming resources £	Resources expended £	Balance at 31 July 2024 £
<b>Unrestricted funds</b>				
<i>General</i>				
Unrestricted Funds	(11,109)	878,595	(863,390)	4,096
<b>Restricted</b>				
DfE Devolved Formula Capital (DFC)	-	11,834	-	11,834
The Access Foundation	-	18,800	-	18,800
<b>Total restricted funds</b>	<u>-</u>	<u>30,634</u>	<u>-</u>	<u>30,634</u>
<b>Total funds</b>	<u>(11,109)</u>	<u>909,229</u>	<u>(863,390)</u>	<u>34,730</u>

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

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

DfE Devolved Formula Capital - grants are provided to schools for capital improvements, such as building repairs, ICT equipment (not software), and security, based on pupil numbers and a fixed fee. Funds cannot be used for revenue, general maintenance, or staff costs.

Access Foundation Grant - funding of "DNA" programme for SEND pupils.

Access to Work Grants - a UK government grant for practical, tailored support— such as specialist equipment, transport, or support workers — when requirements go beyond reasonable adjustments.

Transfers have been made from the restricted fund to the unrestricted fund in respect of fixed assets funded by restricted grants as the restriction normally applies only until the asset has been acquired.

#### 23 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 July 2025 £
Intangible fixed assets	1	-	1
Tangible fixed assets	59,267	-	59,267
Current assets	332,919	28,945	361,864
Current liabilities	(265,046)	-	(265,046)
Creditors over 1 year	(107,280)	-	(107,280)
Total net assets	<u>19,861</u>	<u>28,945</u>	<u>48,806</u>

	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>

## Digital Advantage

### Notes to the Financial Statements for the Year Ended 31 July 2025

#### 24 Analysis of net funds

	At 1 July 2024	Financing cash flows	Other non cash changes	At 31 July 2025
Cash at bank and in hand	147,284	170,559	-	317,843
Debt due within one year	(28,151)	28,151	(30,036)	(30,036)
Debt due after more than one year	(137,315)	-	30,036	(107,279)
Net Debt	<u>(18,182)</u>	<u>198,710</u>	<u>-</u>	<u>180,528</u>

	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>

#### 25 Related party transactions

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

##### **The White Room Consultancy Limited**

(The CEO for the financial year 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. The loan has no requirement for repayment until July 2028 at the earliest, it is therefore shown in note 18 within other creditors. No repayments of this loan will be made until the loan from the Charities Aid Foundation has been fully repaid. At the balance sheet date the amount due to The White Room Consultancy Limited was £43,972 (2024 - £43,972).