ADA NATIONAL COLLEGE FOR DIGITAL SKILLS

Report and Financial Statements for

the year ended 31 July 2025

Key Management Personnel, Members of the Corporation and Professional Advisers

Key Management Personnel

Key Management Personnel are defined as members of the College Leadership Team and were represented by the following in 2024/25:

Mark Smith, Principal and CEO (Accounting Officer)

Tom Fogden, Dean

Sarah Salamullah, Sixth Form Principal

Christopher Payne, Acting Director of Finance and Operations

Katy Miles, Director of External Relations

Geoff Stevenson, Director of Degree Apprenticeships

Tina Götschi, Director of Quality and Curriculum

Members of the Corporation

A full list of Members is given on pages 13 and 14 of these financial statements.

Jacky Geary acted as Clerk to the Corporation throughout the period.

Professional advisers

Financial statements auditors and reporting accountants:

Buzzacott Audit LLP
130 Wood Street
London
EC2V 6DL

Bankers:

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Principal address and registered office:

1 Sutherland Street
Pimlico
London
SW1V 4LD

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Strategic Report

1. OBJECTIVES AND STRATEGY

The governing body present their annual report together with the financial statements and auditor's report for Ada National College for Digital Skills for the year ended 31 July 2025.

1.1 Legal status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Ada National College for Digital Skills. The College is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

The Corporation was incorporated as Ada National College for Digital Skills Further Education Corporation on 8 August 2016.

1.2.1 Mission

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

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

1.2.2 Strategy and Objectives

In Autumn 2022 the College refreshed its strategic plan to run through to December 2025 under the theme 'Evolving to Ada 2.0'. Retaining the core mission statement, the purpose of the college was identified as

'Delivering an industry-led learning experience, in an aspirational culture, to larger volumes of diverse learners, which ensures our alumni secure jobs in tech and that Ada is sustainable.'

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

1. **Quality of Teaching Learning and Assessment**
   - Sixth Form: All teaching consistently good across all subjects
   - Apps: Module feedback average scores >4/5
   - Qualification Achievement Rates >85%
2. **Apprenticeship Volume Growth**
   - 85 apprentices enrolled over the course of the year - This was below target and an internal review has been kicked off
3. **New Programme Development**
   - Foundation programme pilot launched in London
   - T-level pilot successfully launched with larger volumes expected in London in Autumn 2025
   - T-level pilot scoped in Manchester
   - Overhaul of existing L4 apprenticeships underway with increased focus on AI
4. **Digital Transformation**
   - Digital transformation roadmap in place
   - Year 1 priority improvements completed - new CRM in pace, Gemini Pro accounts for all staff and increased network resilience
   - New MIS system procured with a view to roll out in Summer 2026
5. **Improved People Management Function**
   - Salary benchmarking exercise completed
   - HR FTE increased from 0.8 to 2.8 FTE
   - Formalised line manager development programme implemented
   - Employee benefits improved

6. Student Progression & Alumni

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

The detail was also set out in the College's published Accountability Plan.

1.2.3 New Strategy for the period through to 2030

During the academic year the college embarked on the formulation of an ambitious new strategy through to 2030. The College was delighted to receive 12-weeks of pro bono support from Bain, the management consultancy, through its partnership with the Impetus Foundation.

This new strategy is still being finalised at the current time with a temporary 'task and finish' group of Board members and executives formed to oversee this work before recommending it to the full board in December 2025.

In addition, the College is undergoing an external Peer Review in November 2025, with the Executive Director for Quality at NCG, and his small team, spending a few days reviewing the quality of education at Ada. This exercise will provide meaningful external feedback to leaders and governors to inform and update the College's Quality of Education Improvement plan.

1.2.4 Capital Projects

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

1.3 Resources

The College has set strategic objectives and uses a range of resources to deliver them.

1.3.1 People

During 2024/25 the Group employed 75 staff. Most are teaching staff with some staff fulfilling both teaching and operational roles. Some staff work on a part-time or fixed-term basis and a number now work more flexibility with some days at the College's premises and some days working at home. The College continues to face challenges recruiting staff to key teaching and operational roles. It has reviewed its approach to recruitment during the year and this has resulted in a full staff roster for the start of 2025/26. The College is also reviewing its Employee Value Proposition and options for attracting and retaining high-performing staff as part of the ongoing work on the strategy to 2030.

1.3.2 Learner volumes

The College had 170 students in the sixth form in 2024/25 in total. Of this number 113 joined the 6th form in August 2023. The College received funding for 345 apprentices in the 2024/25 year across its level 4 and 6 programmes. 222 were based in London and 123 were based in Manchester.

1.3.2 Tangible Assets

Tangible resources included the two campuses at Victoria, London and Ancoats, Manchester.

1.3.3 Reputation

The College has a good reputation locally in Greater London and Greater Manchester as well as nationally. Maintaining a quality brand is essential for the College's success at attracting students and external relationships. The College continues to be proactive in raising the College's profile with Government and the media.

The College was last inspected in March 2023 and received a very strong report – with 'Behaviours and Welfare' and 'Personal Development' being graded Outstanding, all other areas were graded Good. This built on the improvements identified on the peer assessment by NCG College Group in June 2022 and sets a clear path to achieving a higher rating in the future. Ofsted judged the College's Regional Skills alignment in both Greater London and Greater Manchester to be 'strong', the highest grade achievable.

1.4 Stakeholders

In line with other colleges and with universities, Ada College has many stakeholders. These include:

- Students;
- Department for Education;
- Parents and Carers;
- FE Commissioner;
- Staff;
- Employers;
- Local authorities;
- Local Enterprise Partnerships (LEPs);
- The local community;
- Other FE institutions; and
- Universities

The College recognises the importance of these relationships and engages in regular communication with them through the College website, social media, business council and direct meetings.

1.5 Public Benefit

Ada National College for Digital Skills is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The Members of the Corporation, who are trustees of the charity, are disclosed on pages 13 and 14.

In setting and reviewing the College's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

In delivering its mission, the College provides the following identifiable public benefits through the advancement of education:

- Significant outreach work with schools, other charitable organisations and the local community
- High-quality teaching, learning and assessment
- Excellent academic outcomes and progression to employment for learners and alumni
- Strong student support systems fostering an inclusive learning environment
- Links with employers, industry and commerce
- Collaboration with other education institutions to share best practice

2. DEVELOPMENT AND PERFORMANCE

2.1 Financial results

The Group incurred a deficit and total comprehensive expenditure of £246,462 for the year (2024 restated - a deficit of £162,406). The Group generated £941,171 of fundraising income during the year (2024: a total of £679,960) from donors including Impetus, PA Foundation, Bank of America, King and high net worth individuals. Donations include donated services from the DfE for the two campuses in Manchester and London for the whole year.

The Group has accumulated reserves of £1,009,332 (2024 restated: £1,255,793), which includes cash and short-term investment balances of £694,178 (2024: £657,511), offset by outstanding creditors of £1,840,560 (2024 restated: £1,705,607), including amounts falling due after one year of £892,586 (2024 restated: £942,738). The Group continues to prioritise accumulation of reserves and cash balances and although this is difficult in the current environment, the premises in London and Manchester provide the platform for learner number growth to achieve this. As a result, the Corporation has concluded that there are no material uncertainties around the Group's ability to continue as a Going Concern. Further details on this are included in section 7.

Tangible fixed asset additions during the year amounted to £437,294, including IT equipment and capitalised software implementation costs.

The Group relies significantly on the education sector funding bodies for its principal income source. In 2024/25 the FE funding bodies provided circa 84% of the Group's total income, excluding donations in kind, with the balance raised through philanthropy and other grant-based income.

2.2 Cash flows and liquidity

There was a net cash inflow of £36,667 in the year and the College currently has no debt.

As at 31 July 2025, the Group had cash balances of £694,178 (2024: £657,511).

2.3 Group Companies

The College has one charitable subsidiary company, National College for Digital Skills Limited (Charity Registration number: 1158399, Company Registration number: 08763964). The principal activity of National College for Digital Skills Limited is the provision of back-office support staff and services for the College's building and operations. A service level agreement exists between the College and National College for Digital Skills Limited for the recharging of operational costs.

3. FUTURE PROSPECTS

3.1 Future Developments

The College is currently focussed on consolidating its activities in London and Manchester through growth in learner numbers. The college also continues to work across its broader 'National' remit to identify further opportunities for growth across England, mainly through collaborative partnership working. The College is launching new courses and programmes of study at both its campuses in the coming years, including an extended programme of short courses to support diverse applicants to apply to our apprenticeship programmes, and is also reviewing and improving its existing programmes.

The College continues to work closely with a very wide range of industry partners from large corporates to SMEs and start-ups in a wide variety of ways with an extensive volunteering and engagement programme. For the first time industry partners will be hosting T-level placements as well.

The College continues to attract philanthropic support to supplement its DfE funding. In particular, the College has worked closely with the Impetus Foundation since January 2022 to improve its focus on outreach, better measure its impact and improve the effectiveness of its business development function.

3.2 Financial Plan

The Board approved a financial plan in July 2025 which sets objectives for the period to July 2027. The budget for the period ending July 2026 anticipates a surplus of circa £67k, and the latest forecast continues to indicate a small surplus for the 2025-26 financial year.

The College has ambitious plans to extend its reach and impact over the next three years based on the realisation of its property strategy and recognises the need to invest to grow. The College currently has adequate cash balances which are closely monitored by the Executive Leadership team, the Finance and Resources Committee and Board. The College does not anticipate cash reserves dropping below 29 days after January 2025.

3.3 Treasury policies and objectives

Treasury management is the management of the College's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. The College has a separate treasury management policy in place.

3.4 Reserves policies and objectives

The Group recognises the importance of reserves in the financial stability of any organisation and aims to ensure that there are adequate reserves to support the College's core activities. The Group has adopted a Reserves Policy of retaining 40 days of unrestricted operating expenditure (circa £514k based on 2025-26 expenditure). As at 31 July 2025, the Group had actual cash days of 41, including 18 days unrestricted and 23 days of restricted cash reserves. The Group's reserves include £308,472 held as restricted revenue reserves. As at the balance sheet date the unrestricted Income and Expenditure reserve was in surplus by £700,860 (2024 restated: £928,486 surplus). Therefore, the free reserves were the net current assets less the restricted funds and deferred capital grants at a surplus of £173,268. The Group recognises, therefore, that it needs to continue to build reserves and that, while the 2025-26 budget and forecast are predicting a small surplus, we will look at ways to increase reserves in the short and longer term, including further fundraising.

4. PRINCIPAL RISKS AND UNCERTAINTIES

The College has well developed strategies for managing risk and strives to embed risk management in all that it does. Risk management processes are designed to protect its assets, reputation and financial stability. The governing body has overall responsibility for risk management and its approach to managing risks and internal controls is explained in the Statement on Corporate Governance.

The College has undertaken work during the period to develop and embed the system of internal control, including financial, operational and risk management, which is designed to protect the College's assets and reputation. The College appointed Validera as internal auditors in 2022 and a programme of internal audit reviews has been carried out overseen by the audit committee.

Based on the strategic plan, the College's Leadership team regularly undertakes a comprehensive review of the risks to which the College is exposed and shares this with the Audit Committee and the full Corporation at least three times per annum. The leadership team identifies systems and procedures, including specific preventable actions which should mitigate any potential impact on the College. The internal controls are then implemented. The main document used is a risk register that is maintained at the Group level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Group and the College and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Group and the College. Not all the factors are within the Group's control. Other factors besides those listed below may also adversely affect the College.

1. Maintaining the financial viability of the College

The College maintains a reasonable unrestricted cash balance at the time of presenting these accounts, and expects to retain a cash balance of more than 29 cash days (26 unrestricted) from January through to the end of the year. It remains financially viable through a cautious approach to cost management during times of unpredictable learner volumes. The move to new premises in London and Manchester removed some constrictions on learner volumes, although the lagged funding from the DfE for Sixth Form learners means the impact of any increase will not be felt immediately. The College continues to monitor costs closely and runs a lean operating model while carefully building capacity to grow learner volumes and make a success of the new premises. There are a number of measures in place to manage this risk including:

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

2. Achieving year on year volume targets for learner volumes

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

3. Attracting and retaining high quality staff

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

Steps we have taken to combat these challenges include:

- Increasing annual leave allowances for some staff and providing greater flexibility in working patterns where possible.
- The Board has agreed to a 4% pay increase for eligible staff from September 2025 and a number of additional differentiated pay rises have been awarded to recognise performance or retention issues.
- Improving regular line manager training and support so they can better support their staff and help them feel a strong sense of achievement and purpose in their roles.

4. Maintaining the College's diversified revenue model

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

5. PERFORMANCE INDICATORS AND IMPACT

5.1 Student numbers

In 2024/25 the College has delivered activity that has produced £1,464,555 in DfE 16-19 funding and £3,023,031 in Apprenticeship related income. Student numbers in the year were 170 16-19 year-olds and 345 apprentices.

We continue to monitor each programme and have set volume targets as part of our strategic plan.

5.2 Ada's Impact

During the 2024-25 academic year the college has continued to work with a key external partner, Impetus, to develop its approach to measuring impact. This takes it beyond the traditional further education metrics of learner achievement and progression to focus on measuring the impact that we have as an organisation on the lives of all the young people we work with. Understanding this then allows Ada to identify those interventions, through our teaching, learning, assessment and student support, that have the maximum impact on the learner journey towards achieving a great career in Tech.

In summer 2025, the College received its eighth set of 16-19 academic qualification results. These are summarised below:

- **Outstanding BTEC Computing results**: - 2025 results saw a 9% increase in students achieving the top grades in their Computer Science course with a 100% pass rate. 65% of 16-19 students achieved Distinction or Distinction* (D*) in Computer Science, and 78% achieved at least 1 distinction in either Diploma or Extended diploma.
- **Exceptional A-level Maths performance**: Our students achieved Ada's best ever A-level results. 20% of grades were A*-A and 73% were A*-C. Our top performing subjects this year are Mathematics, Further Mathematics and Art & Design. achieved a Value Added (VA) score of +1.2, ranking us 10th nationally out of 2,210 institutions where Value Added was published and where students completed the full course.
- **Excellent results for our first ever cohort of T Level students:** Our students achieved a 100% pass rate with 59% achieving A-B grades and an outstanding 95% A*-C on core exam papers. 23.5% of Ada's Y12 Digital T Level students achieved an A at their first attempt in their Core exams compared with only 2.85% nationally.
- **High university progression rates**: 84% of Sixth Form students progressed to university, with 16% accepted into Russell Group institutions, primarily to study technology-related degrees.
- **Apprenticeships progression**: 16% of our students have achieved prestigious degree apprenticeships with companies such as HSBC, Airbus and ClearScore, of which 14% will remain with us to complete Ada Apprenticeships.
- **Strong industry engagement**: Consistent and high-quality input from industry partners enhances the learning experience, contributing significantly to learner outcomes, progression, and development in both sixth form and apprenticeships.

5.3 Self-Assessment Report

The College published its seventh Self-Assessment Report (SAR) in Autumn 2024. The Education Committee scrutinises this report on an annual basis and now consists of greater education expertise increasing the rigour of our analysis and the quality of our improvement plans. The self-assessment report builds on the findings of the Ofsted Inspection in March 2023.

The College has a Peer Review visit, conducted by the Quality Improvement team at NCG, planned for November 2025.

5.4 Payment performance

The Late Payment of Commercial Debts (Interest) Act 1998, in the absence of agreement to the contrary, requires organisations to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. During the accounting period 1 August 2024 to 31 July 2025, the College paid 80% of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

5.5 Streamlined Energy and Carbon Reporting

The college is committed to reducing its carbon emissions and has taken the following measures in the year to improve its activities in this area:

- Appointed an experienced Head of Premises, who will provide clear leadership on sustainability

- Agreed a new Climate Action Plan with the board, with underpinning management plans, that commits the college to become carbon neutral by 2030.
- Established measures to enable calculation of the College's carbon emissions from 2024/25 onwards.

The College's greenhouse gas emissions and energy use for the period calculated in line with the 2019 HM Government Environmental Reporting Guidelines, the GHG Reporting Protocol – Corporate Standard and the 2025 UK Government's Conversion Factors for Company Reporting are as follows:

UK Greenhouse gas emissions and energy use data	**2024 - 25**
Energy consumption used to calculate emissions (kWh)	371,839
Scope 1 emissions in metric tonnes CO2e	
Gas consumption	20.49
Owned transport	-
Total	20.49
Scope 2 emissions in metric tonnes CO2e	
Purchased electricity	76.96
Purchased heat	37.74
Scope 3 emissions in metric tonnes CO2e	
Business travel in employee owned vehicles	-
Total gross emissions in metric tonnes CO2e	**135.19**

Intensity ratio	
Metric tonnes CO2e per staff member	1.80

5.6 Trade Union facility time

The College does not have trade union officials.

6 EQUALITY AND DIVERSITY

6.1 Equality

The College is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race and ethnicity, gender identity, sex, sexual orientation, disability, religion or belief age, pregnancy and maternity, and marriage and civil partnership. We strive vigorously to remove conditions that place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis.

The College aspires to have a diverse workforce and diverse student population because it is our belief that diversity enables better student outcomes. The College also believes a more inclusive workplace, where people of different backgrounds work together, ensures better outcomes for staff. The College works hard to encourage applications from potential employees with disabilities and is committed to the principles of equal opportunities employment for all. The College considers all employment applications from disabled persons, bearing in mind the aptitudes of the individuals concerned, and guarantees an interview to any disabled applicant who meets the essential criteria for the post. Where an existing employee becomes disabled, every effort is made to ensure that employment with the College continues. The College's policy is to provide training, career development and opportunities for promotion that, as far as possible, provide identical opportunities to those of non-disabled employees.

The College's Equality, Inclusion and Diversity Committee has representatives from across the College, including students and apprentices. The Committee has developed and published an Equality, Inclusion and Diversity policy which is available to students, staff and on the College's website. The College now conducts annual EDI surveys to identify strengths and areas for development in staff's knowledge and expertise and facilitates training to support sustained improvement in awareness, understanding and expert practice

6.2 Disability statement

The College seeks to achieve the objectives set down in the Equality Act 2010:

- As part of its accommodation strategy the College ensured a full access audit.
- The admissions policy for all students is described in the College charter. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- The College has invested in additional learning assistants to support students with learning difficulties and/or disabilities.
- Counselling and welfare services are described in the College Student Guide, which is issued to students together with the Complaints and Disciplinary Procedure leaflets at induction.
- Make reasonable adjustments for staff with disabilities to ensure that they are not at a disadvantage in the college.

7 GOING CONCERN

The Group's 2024/25 results reflect sustained growth in income from funding grants and donations and an improved cash position. The budget for 2025/26 and forecast for 2026/27 anticipate improved surpluses under baseline assumptions and continued financial sustainability under a number of alternative scenarios if cost savings are made. The Group continues to invest in a range of initiatives to maximise growth in learner numbers and fundraising income.

As a result of the recent analysis and ongoing focus on improving financial reserves, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

8 DISCLOSURE OF INFORMATION TO AUDITORS

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the College's auditors are aware of that information.

Approved by order of the members of the Corporation on 10 December 2025 and signed on its behalf by:

Chris Cherry
Chair of the Corporation

Ada National College for Digital Skills

Governance Statement

The following statement is provided to enable readers of the annual report and financial statements of the Group and the College to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 August 2024 to 31 July 2025 and up to the date of approval of the annual report and financial statements.

GOVERNANCE CODE

The College endeavours to conduct its business:

1. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).
2. Having due regard to the UK Corporate Governance Code 2016 insofar as it is applicable to the further education sector.

In 2022 the Corporation agreed to adopt the Charity Commission Governance Code. In June 2025 this was changed to adoption of the Association of College's FE code of good governance. In the opinion of the Members of the Corporation, the Group has adopted the best practice with all the relevant provisions of the code through the period to 31 July 2025. The Corporation recognises that, as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

The College is an exempt charity within the meaning of Part 3 of the Charities Act 2011. The Members of Corporation, who are also the trustees for the purposes of the Charities Act 2011, confirm that they have had due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

THE CORPORATION

The members who served on the Corporation during the year and up to the date of signature of this report were as listed in the table below. There were four board meetings in the year ended 31 July 2025.

Name	Category of Membership	Date of Initial Appointment or re-appointment	Date Term ends *(resignation if earlier)*	Board Meetings for 2024 - 2025		Committees Served in 2024 - 2025				
				No. of meetings	Attendance Rate	A	E	BM	R	F&R
Tiffany Hall *(Chair)*	Independent	2.10.2023	2.04.2025	3	100%			✓	✓	✓
Chris Cherry *(incoming Chair)*	Independent	2.04.2025	01.04.2029	2	100%		✓	✓	✓	✓
Nicholas Wilcock *(Chair of NCDS Ltd)*	Independent	09.08.2023	08.08.2026	4	100%				✓	✓
Annamarie Douglas	Co-opted	07.07.2024	15.12.2025	n/a			✓			

Amali de Alwis	Independent	02.10.2023	01.10.2027	3	75%	✓		✓		
Dame Zarine Kharas	Independent	24.09.2022	25.09.2026	3	75%			✓		✓
Gillian Lancaster	Independent	01.01.2023	31.12.2027	4	100%	✓				
Mark Smith	Chief Executive Officer	01.09.2017	*Ex officio*	4	100%		✓	✓		✓
Louise Jones	Independent	13.12.2023	12.12.2027	3	75%				✓	✓
Ben Rix	Staff	02.05.2025	02.05.2029	1	100%					
Phil Kemp	Independent	30.03.2021	02.04.2025	3	100%				✓	✓
Claire McDonald	Staff	21.03.2024	01.03.2025	2	100%		✓			
Imran Razzaq	Independent	02.04 2025	01.04.2029	3	75%	✓				
Kathryn Skelton	Independent	02.04 2025	01.04.2029	2	50%		✓			
Steve Stanley	Independent	30.03.2022	29.03.2026	4	75%		✓			
Alice Ward	Co-opted	25.09.2024	24.09.2028	n/a			✓			
Susanna Whalley (nee Lawson)	Independent	05.10.2022	04.10.2026	4	100%			✓		
Gurpreet Kaur	Co-opted	11.07.2022	10.07.2026	n/a		✓				

Committees:

A = Audit BM = Board membership F&R = Finance and Resources Committee

E = Education R = Remuneration

The governance framework

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The Corporation is provided with regular and timely information on the overall financial performance of the Group together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel-related matters such as health and safety and environmental issues. The Corporation meets up to four times a year.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Education, Audit, Board Membership (formally Search), Finance and Resources and Remuneration. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website www.ada.ac.uk or from the Clerk to the Corporation at:

Clerk to the Corporation
Ada, National College for Digital Skills
1 Sutherland Street
Pimlico
London SW1V 4LD

The Clerk to the Corporation maintains a register of financial and personal interests of the Members of the Corporation. The register is available for inspection at the above address.

All Members of the Corporation are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Corporation, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation and removal of the Clerk are matters for the Corporation as a whole.

Formal agendas, papers and reports are supplied to Members of the Corporation in a timely manner, prior to Board meetings. Briefings are provided on an ad hoc basis.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair and Accounting Officer are separate.

Appointments to the Corporation

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. The Corporation has a Board Membership (formally Search) Committee, consisting of five members of the Corporation, which is responsible for the selection and nomination of any new member for the Corporation's consideration. The Corporation is responsible for ensuring that appropriate training is provided as required.

Members of the Corporation are appointed for an initial term of office not exceeding four years, reappointment for a second term of four years is subject to Board approval.

Corporation performance

Over the academic year, the Governing Board has put in a phenomenal amount of time and effort on behalf of the College, all of which has been aimed at securing its future success.

The Governing Body has a well-developed system for assessing its effectiveness and enhancing the quality of governance comprising seven main elements:

- Completion by all governors of an annual self-assessment questionnaire
- Annual review by the Board of the effectiveness of each committee
- Consideration of an annual governance self-assessment report (SAR) drawing on the results of the questionnaire and other evidence
- Governor interviews between the Chair and each governor every year
- Annual appraisal of the performance of the chair
- An evaluation of the effectiveness of the Strategic Plan every three years
- Monitoring of Members' attendance and contributions by the board Membership committee

The governing body has considered DfE guidance on board reviews and an external governance review was carried out in April- July 2024 by Fiona Chalk from Governance4FE.

Remuneration Committee

Throughout the period ended 31 July 2025, the College's Remuneration Committee comprised three members of the Corporation. The Committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer, Clerk and other members of the Senior Leadership Team.

The College has not adopted the Association of Colleges Senior Staff Remuneration Code but has adopted good practice through the appointment of the Remuneration Committee. The terms of reference of the committee include ensuring:

- A fair, appropriate and justifiable level of remuneration;
- Procedural fairness; and
- Transparency and accountability.

Details of remuneration for the period ended 31 July 2025 are set out in Note 8 to the financial statements.

The remuneration committee met three times in the year to 31 July 2025. The members of the committee and their attendance records are shown below:

Committee member	Meetings attended
Nick Wilcock	100%
Tiffany Hall (outgoing)	100%
Phil Kemp (outgoing)	100%
Louise Jones	67%
Chris Cherry (incoming)	100%

Audit Committee

The Audit Committee comprises four members of the Corporation (and excludes the Accounting Officer and Chair). The Committee operates in accordance with written terms of reference approved by the Corporation.

The Audit Committee meets on a termly basis and provides a forum for reporting by the College's internal auditors, reporting accountants and financial statements auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies as they affect the College's business.

The College's internal auditors review the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit Committee. Management is responsible for the implementation of agreed audit recommendations.

The Audit Committee also advises the Corporation on the appointment of internal auditors, reporting accountants and financial statements auditors and their remuneration for audit and non-audit work as well as reporting annually to the Corporation. The audit committee met four times in the year to 31 July 2025. The members of the committee and their attendance records are shown below:

Committee member	Meetings attended
Gillian Lancaster	100%
Amali de Alwis	75%
Imran Razzaq	75%
Gurpreet Kaur (has specialist knowledge)	100%

Board Membership Committee

The College's Search Committee meets termly and was established to support the efficient and timely recruitment and appointment of Members of Corporation. This includes the appointment of specific Corporation members such as a staff or student nominees. The Board Membership Committee also oversees the selection process for the Chair of Corporation.

The board membership committee met 3 times in the year to 31 July 2025. The members of the committee and their attendance records are shown below:

Committee member	Meetings attended
Amali de Alwis	100%
Zarine Kharas	67%
Mark Smith	100%
Tiffany Hall (outgoing)	100%
Susanna Whalley	100%
Chris Cherry (incoming)	0%

Education & Impact Committee

The Education Committee meets termly. The Committee reviews the academic performance of the students and apprentices at the College as well as the performance of all teaching staff (and pastoral staff where appropriate) to ensure a rigorous and accountable system of assessment is in place that supports strong student progress and progression.

The College's senior leadership and in particular its academic leaders are held to account by this Committee and where necessary produce actions plans and specific strategies to remedy identified areas for improvement that are signed off by this Committee and, where deemed necessary, shared with the wider board. The education committee met four times in the year to 31 July 2025. The members of the committee and their attendance records are shown below:

Committee member	Meetings attended
Susanna Whalley	100%
Claire McDonald	100%
Annamarie Douglas (co-opted)	100%
Kathryn Skelton (maternity leave)	0%
Mark Smith	75%
Alice Ward (co-opted)	100%
Steve Stanley	100%

Finance and Resources Committee

The Finance Committee has a remit to oversee financial and HR issues. The Committee met regularly in the year. As well as continuing to provide oversight and advice on capital project issues, the Committee also considered:

- The proposed two-year budget for 2025/26 to 2026/27 before it was submitted for Board approval;
- Management reports on financial performance and position, monitoring the College's actual financial performance compared with budgeted priorities and cashflow;
- People Management reports and updates on HR issues

The finance and resources committee met five times in the year to 31 July 2025. The members of the committee and their attendance records are shown below:

Committee member	Meetings attended
Nick Wilcock	100%
Phil Kemp	100%
Louise Jones	80%
Zarine Kharas	100%
Mark Smith	100%
Tiffany Hall	67%

INTERNAL CONTROL

Scope of responsibility

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Corporation has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which he is personally responsible, in accordance with the responsibilities assigned to him in the Funding Agreement between the College and the funding bodies. He is also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Group policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Group and College for the period ended 31 July 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal on-going process for identifying, evaluating and managing the Groups' significant risks that has been in place for the period ended 31 July 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Corporation.

The risk and control framework

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

- comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the governing body
- regular reviews by the Corporation Members of periodic and annual financial reports which indicate financial performance against forecasts
- regular reviews of the Management Accounts by the Finance & Resources Committee
- setting targets to measure financial and other performance
- clearly defined capital investment control guidelines

- the adoption of formal project management disciplines, where appropriate.

The College appointed Validera as internal auditors for a period of 3 years in 2022. They provide an internal audit service, which operates in accordance with the requirements of the DfE's College Finance Handbook. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Corporation on the recommendation of the audit committee. At minimum, annually, the Head of Internal Audit (HIA) provides the governing body with a report on internal audit activity in the College, includes an independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Risks faced by the Corporation

The College's risk policy is updated and approved on an annual basis by the Corporation. The risk register was reviewed by the Audit Committee and the Board at each meeting. The College's risk management policy was reviewed and approved by the Audit Committee and this happens annually. The review of Risk Management undertaken by Internal Audit concluded that the framework and processes are adequate for a College of the size and maturity of Ada. Recommendations focussed on improvements that would meet best practice. This is set out in more detail, along with the key risks in section 4.

Control weaknesses identified

Governance, risk management and control, and value for money arrangements in relation to business-critical areas, have been found to be generally satisfactory by our internal auditors. However, there are a small number of weaknesses or non-compliance noted within the conclusions of our internal audit activity for which:

a) All recommendations have been responded to by management.
b) Actions to address have been agreed and have been / are being implemented to address these concerns.
c) The Audit Committee regularly reviews progress on the implementation of internal audit report recommendations.

Reviews carried out during the year included Cyber Security, Core Financial Controls, Student Records and HR and Payroll. No high-risk areas were identified from these reviews and the follow-up audit concluded that all previous actions were being addressed and reported to audit committee correctly.

Responsibilities under accountability agreements

The college has reviewed its policies, procedures and approval processes in line with the College financial handbook 2025 and its accountability agreement with DfE to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Statement from the audit committee

The audit committee has advised the board of governors that the Corporation has an effective framework for governance and risk management in place. The audit committee believes the Corporation has effective internal controls in place.

The specific areas of work undertaken by the audit committee in 2024/25 and up to the date of the approval of the financial statements are:

Financial Controls, Corporate Governance, Information Governance and student records. The Internal Audit Annual report provided by Validera to the Audit Committee concludes that the College has:

- adequate and effective risk management;
- adequate and effective governance; and
- adequate and effective control processes.

Review of effectiveness

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors;
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal controls;
- comments made by the College's financial statements and regularity auditors in their external audit findings report, management letters and other reports; and
- The regularity self-assessment questionnaire.

The Accounting Officer has been advised on the implications of the result of his review of the effectiveness of the system of internal control mechanisms by the Audit Committee, which oversees the internal monitoring processes and procedures and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. The College's Self-Assessment Report (SAR) embodies the College's annual self-reflection of its performance and its Continuous Improvement Plan (CIP) outlines the strategies for improvement that emerge from this reflection process.

The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2025 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2025 by considering documentation from the senior management team and internal audit and taking account of events since 31 July 2024.

Based on the advice of the Audit Committee and the Accounting Officer, the Corporation is of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "*the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets*".

Approved by order of the members of the Corporation on 10 December 2025 and signed on its behalf by:

Chris Cherry	Mark Smith
Chair of the Corporation	Accounting Officer

Ada National College for Digital Skills

Statement of Regularity, Propriety and Compliance

As Accounting Officer of the Corporation of Ada, National College for Digital Skills, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the College's accountability agreement with DfE, and the requirements of the College Financial Handbook. I have also considered my responsibility to notify the Corporation's board of governors and DfE of material irregularity, impropriety and noncompliance with terms and conditions of all funding. I confirm that I, and the Board of governors, are able to identify any material irregular or improper use of all funds by the Corporation, or material non-compliance with the framework of authorities.

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

Mark Smith

Accounting Officer

Date: 10 December 2025

Ada National College for Digital Skills

Statement of Responsibilities of the Members of the Corporation

The members of the Corporation, as charity trustees, are required to present audited financial statements for each financial year.

Within the terms and conditions of the College's accountability agreement, funding agreements and contracts with DfE the Corporation is required to prepare financial statements which give a true and fair view of the financial performance and position of the Corporation for the relevant period. Corporations must also prepare a strategic report which includes an operating and financial review for the year. The bases for the preparation of the financial statements and strategic report are the Statement of Recommended Practice – Accounting for Further and Higher Education, DfE's College Accounts Direction and the UK's Generally Accepted Accounting Practice.

In preparing the financial statements, the Corporation is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the Corporation is a going concern, noting the key supporting assumptions qualifications or mitigating actions as appropriate
- prepare financial statements on the going concern basis, unless it is inappropriate to assume that the Corporation will continue in operation.

The Corporation is also required to prepare a strategic report, in accordance with paragraphs 3.23 to 3.27 of the FE and HE SORP, that describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the Corporation.

The Corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011 (as amended), and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities. The Corporation is responsible for the maintenance and integrity of its website; the work carried out by auditors does not involve consideration of these matters and, accordingly, auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the Corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from DfE, and any other public funds, are used only in accordance with the accountability agreement, funding agreements and contracts and any other conditions, that may be prescribed from time to time by DfE, or any other public funder, including that any transactions entered into by the Corporation are within the delegated authorities set out in the College Financial Handbook. On behalf of the Corporation, the Chair of the Board of Governors is responsible for discussing the accounting officer's statement of regularity, propriety and compliance with the accounting officer.

Members of the Corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the Corporation are responsible for securing economic, efficient and effective management of the Corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from DfE and other public bodies are not put at risk.

Approved by order of the members of the Corporation on 10 December 2025 and signed on its behalf by:

Chris Cherry

Chair of the Corporation

Independent Auditor's Report to the Corporation of Ada National College for Digital Skills

Opinion

We have audited the financial statements of **Ada National College for Digital Skills** and its subsidiary (collectively the 'Group') for the year ended 31 July 2025 which comprise the Group and College statement of comprehensive income and expenditure, the Group and College statement of changes in reserves and balance sheets, the Group statement of cash flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the College Accounts Direction 2024 to 2025 issued by the Department for Education (DfE).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and the College's affairs as at 31 July 2025 and of its financial performance and cash flows for the year then ended;

- have been prepared in accordance with UK Generally Accepted Accounting Practice, the Statement of Recommended Practice: Accounting for Further and Higher Education and the College Accounts Direction 2024 to 2025 issued by the DfE;

- In all material respects, funds from whatever source administered by the Group and the College for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members of the Corporation's 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 Group and the College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members of the Corporation with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the College and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report.

We have nothing to report in respect of the following matters in relation to which the Framework and guide for external auditors and reporting accountants of colleges issued by the DfE 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;
- the financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received.

Responsibilities of the Corporation

As explained more fully in the statement of responsibilities of members of the Corporation, the members of the Corporation 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 members of the Corporation 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 members of the Corporation are responsible for assessing the Group and the College'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 members of the Corporation either intend to liquidate the Group and the College or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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 the audit was considered capable of detecting irregularities, including fraud

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the Group and the College through discussions with management, and from our knowledge and experience of the Further Education sector;

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group and the College, including the College Accounts Direction 2024 to 2025 issued by the DfE, Further and Higher Education Act 1992, funding agreements with the DFE and associated funding rules, DFE regulations, data protection legislation, anti-bribery, safeguarding, employment, health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- 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 Group and the College'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; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of Corporation meetings;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the College's legal advisors (although none was noted as being received by the College).

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

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

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

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the College's Articles of Government. Our audit work has been undertaken so that we might state to the Corporation those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the Corporation as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP

Buzzacott Audit LLP
Statutory Auditor
Chartered Accountants and Registered Auditor
130 Wood Street
London
EC2V 6DL

Date: 12 December 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Independent Reporting Accountant's Report on Regularity

To: The Corporation of Ada National College for Digital Skills and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 18 June 2025 and further to the requirements of Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Ada National College for Digital Skills during the period 1 August 2024 to 31 July 2025 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

This report is made solely to the Corporation of Ada National College for Digital Skills and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Corporation of Ada National College for Digital Skills and the Secretary of State those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept, or assume, responsibility to anyone other than the Corporation of Ada National College for Digital Skills and the Secretary of State for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Accounting Officer of Ada National College for Digital Skills and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Corporation's accountability agreement with the Secretary of State for Education and the College Financial Handbook, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament, and that the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Colleges. We report to you whether anything has come to our attention in carrying out our work, which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Colleges issued by DfE, which requires a limited assurance engagement, as set out in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the College's activities;

- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects, the expenditure disbursed and income received during the period 1 August 2024 to 31 July 2025 has not been applied to purposes intended by Parliament, and the financial transactions do not conform to the authorities that govern them.

Buzzacott Audit LLP

Buzzacott Audit LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

12 December 2025

Consolidated Statements of Comprehensive Income and Expenditure

	Notes	Year ending 31 July 2025		Year ending 31 July 2024	
		Group	College	Group Restated	College Restated
		£	£	£	£
INCOME					
Funding body grants	2	4,794,343	4,794,343	4,494,112	4,494,112
Tuition fees and education contracts	3	23,130	23,130	1,088	1,088
Other grants and contracts	4	37,395	37,395	-	-
Other income	5	96,518	63,651	18,561	5,850
Investment income	6	2,210	49	147	71
Donations and Endowments	7	2,182,128	151,045	1,294,076	133,689
Total income		**7,135,724**	**5,069,613**	**5,807,984**	**4,634,810**
EXPENDITURE					
Staff costs	8	4,382,210	1,499,217	3,539,619	1,229,448
Other operating expenses	9	2,541,949	3,647,299	2,108,246	3,790,457
Depreciation	11	457,929	117,804	322,510	117,831
Interest and other finance costs		98	2	15	-
Total expenditure		**7,382,186**	**5,264,322**	**5,970,390**	**5,137,736**
(Deficit) before tax		**(246,462)**	**(194,710)**	**(162,406)**	**(502,926)**
Taxation	10	-	-	-	-
Total Comprehensive (expenditure) for the year		**(246,462)**	**(194,710)**	**(162,406)**	**(502,926)**
Represented by:					
Restricted comprehensive income		**(18,835)**	**(16,661)**	**229,923**	**(240,136)**
Unrestricted comprehensive (expenditure) income		**(227,627)**	**(178,049)**	**(392,329)**	**(262,790)**
		(246,462)	**(194,710)**	**(162,406)**	**(502,926)**

The 2024 income from funding body grants has been restated following a change in accounting policy for grant income recognition as described in note 24.

Consolidated and College Statement of Changes in Reserves

	Income and expenditure account	Restricted reserves	Total
	£	£	£
Group			
Balance at 31 July 2023	**562,816**	**855,383**	**1,418,199**
Surplus/(deficit) from the income and expenditure account - restated	(392,329)	229,923	(162,406)
Transfers between reserves	758,000	(758,000)	-
Balance at 31 July 2024	**928,487**	**327,306**	**1,255,793**
Surplus/(deficit) from the income and expenditure account	(227,627)	(18,835)	(246,462)
Balance at 31 July 2025	**700,860**	**308,472**	**1,009,332**

	Income and Expenditure Account	Restricted reserves	Total
	£	£	£
College			
Balance at 31 July 2023	**402,011**	**641,085**	**1,043,096**
Surplus/(deficit) from the income and expenditure account - restated	(262,790)	(240,136)	(502,926)
Transfers between reserves	297,108	(297,108)	-
Balance at 31 July 2024	**436,329**	**103,841**	**540,170**
Surplus/(deficit) from the income and expenditure account	(178,049)	(16,661)	(194,710)
Balance at 31 July 2025	**258,280**	**87,180**	**345,460**

Balance Sheet as at 31 July 2025

	Notes	2025 Group	2025 College	2024 Group Restated	2024 College Restated
		£	£	£	£
Non-current assets					
Tangible fixed assets	11	1,632,090	117,818	1,652,725	235,622
		1,632,090	**117,818**	**1,652,725**	**235,622**
Current assets					
Trade and other receivables	12	523,625	1,436,972	651,164	1,517,614
Cash and cash equivalents	14	694,178	22,547	657,511	236,412
		1,217,803	**1,459,519**	**1,308,675**	**1,754,026**
Creditors – falling due within one year	13	(947,974)	(369,940)	(762,869)	(561,737)
Net Current Assets		**269,829**	**1,089,579**	**545,806**	**1,192,289**
Creditors – falling due after one year	15	(892,586)	(861,937)	(942,738)	(887,741)
Total net assets		**1,009,332**	**345,460**	**1,255,793**	**540,170**
Restricted reserves	19				
Other restricted		308,472	87,179	327,307	103,841
Total restricted reserves		**308,472**	**87,179**	**327,307**	**103,841**
Unrestricted reserves					
Income and expenditure account		700,860	258,281	928,486	436,329
Total unrestricted reserves		**700,860**	**258,281**	**928,486**	**436,329**
Total reserves	24	**1,009,332**	**345,460**	**1,255,793**	**540,170**

The 2024 creditors and restricted funds have been restated following a change in accounting policy for grant income recognition as described in note 24.

The financial statements on pages 31 to 50 were approved and authorised for issue by the Corporation on 10 December 2025 and were signed on its behalf on that date by:

Chris Cherry
Chair of the Corporation

Mark Smith
Accounting Officer

Consolidated Statement of Cash Flows for the year ended 31 July 2025

	Notes	Group 2025 £	Group 2024 £
Cash flow from operating activities			
Deficit for the period		(246,462)	(162,406)
Adjustment for non-cash items			
Depreciation		457,929	322,510
Deduct Income from Funding Grants Received		-	(347,879)
Decrease/(increase) in debtors		127,539	(522,569)
Increase in creditors due within one year		29,613	242,210
(Decrease)/increase in creditors due after one year		(50,151)	54,997
Adjustment for investing or financing activities			
Investment income		(2,216)	147
Loss on sale of fixed assets		-	-
Net cash flow provided by/(used in) operating activities		**316,252**	**(412,990)**
Cash flows Provided by investing activities			
Investment income		2,216	(147)
Capital Grants received		197,551	1,418,713
Payments made to acquire fixed assets		(437,294)	(1,778,445)
		(237,527)	**(359,879)**
Cash flows used in financing activities			
Repayment of finance lease		(42,058)	-
		(42,058)	-
(Decrease)/increase in cash and cash equivalents in year		**36,667**	**(772,869)**
Cash and cash equivalents at beginning of the period	14	657,511	1,430,380
Cash and cash equivalents at end of the period	14	**694,178**	**657,511**

Included within cash balances are grant funding balances restricted for capital purposes of £108,256 (2024: nil). These capital balances can be applied by the College against capital and estates expenditure in future accounting periods.

Notes to the financial statements

1. Statement of accounting policies and estimation techniques

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (the 2019 FE HE SORP), the College Accounts Direction for 2024 to 2025 and in accordance with Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group and College's accounting policies.

Accounting policy change and prior period adjustment

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

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

This change in policy has been applied retrospectively from 2023 and has been reflected in the 2024 comparatives shown in the accounts. The effect of this change in policy has been a reduction in the value of income from capital grants and restricted reserves with a corresponding increase in deferred income. The adjustments in detail are included in note 24.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Basis of consolidation

The consolidated financial statements include the College and its subsidiary, National College for Digital Skills Limited, controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All financial statements are made up to 31 July 2025.

Going Concern

The College has completed the significant capital projects and has premises in London and Manchester on long term leases. The operating costs associated with these premises are now well established and are a considerable improvement on the previous leased premises.

At 31 July 2025, the Group had net assets of £1,009,332 (2024 restated: £1,255,793) of which £1,632,090 related to the net book value of fixed assets. The Group's free reserves were in a surplus of £173,268 at 31 July 2025 (2024 restated: surplus of £401,593).

The Group cash position was adequate at year end with £694,178 at 31 July 2025 (2024: £657,511) and supported the aim of maintaining a minimum of 30 cash days.

The Corporation currently considers that the Group and the College have adequate resources to meet their liabilities as they fall due. For 2025/26, the Corporation approved a break-even budget, and the current forecast is for a small surplus, while the indicative budget for 2026-27 indicates that a reasonable surplus will be generated, largely as a result of improved numbers on sixth form programmes. The Group is projecting that cash balances will be adequate throughout the year and up to December 2026.

After making appropriate enquiries, the Corporation believes that it is appropriate to continue to prepare these financial statements on a going concern basis.

Recognition of income

Revenue grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Grants from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Gift in kind

The College has entered into long term lease agreements for both its sites with nominal rent payable. Both income and corresponding expenditure are recognised to reflect the gift in kind arising from the nominal rent. The annual value of the gift in kind is based on market rental values for comparable properties adjusted to reflect management's view of the maximum rent which the Group would be willing able to pay had the DfE not provided new premises.

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental capital grants are recognised in income when the Group and College are entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as conditions are met.

Investment income

All income from short-term deposits is credited to the statement of comprehensive income in the period in which it is earned on a receivable basis.

Agency arrangements

The college acts as an agent in the collection and payment of certain discretionary support funds and any other arrangements. Related payments received from the funding bodies and subsequent disbursements to students are excluded from the income and expenditure of the college where the college is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Accounting for post-employment benefits

Post-employment benefits to employees of the College are principally provided by the Teachers' Pension Scheme (TPS). This is a defined benefit plan, which is externally funded and contracted out of the State Second Pension. Postemployment benefits to support staff employed by National College for Digital Skills on a permanent or fixed term basis (minimum of six months) are provided by a defined contribution scheme with Aviva.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method.

The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

Aviva pension scheme

Support staff employed on a permanent or fixed term basis (minimum of six months) by the subsidiary, National College for Digital Skills Limited, are eligible to join the scheme. Contributions are recognised as an expense in the income statement in the periods during which the services are rendered.

Short term Employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Group and the College. Any unused benefits are accrued and measured as the additional amount the Group and the College expects to pay as a result of the unused entitlement.

Non-current Assets - Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Buildings

The premises in Victoria were refurbished between April and August 2023 with the contractors managed by DfE and capital funding provided jointly by DfE and the Greater London Authority (GLA). The premises in Ancoats, Manchester were refurbished between August 2023 and February 2024 with the contractors managed directly by the College and capital funding provided by DfE via the Greater Manchester Institute of Technology (GMIoT). Refurbishment costs totalling £796,189 were capitalised and are depreciated over a 25-year period.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to income in the period it is incurred, unless it increases the future benefits to the College, in which case it is capitalised and depreciated on the relevant basis.

Equipment

Equipment costing less than £1,000 per individual item is recognised as expenditure in the period of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated on a straight-line basis over its remaining useful economic life as follows:

- computer equipment and software 3 years
- furniture, fixtures and fittings 6 years
- software implementation 5 years

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Taxation

The Group and the College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Group and the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections

478-488 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.

The Group and the College is not exempt in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

The College's subsidiary company is not subject to corporation tax as it is a registered charity.

Provisions and contingent liabilities

Provisions are recognised when

- the Group and the College has a present legal or constructive obligation as a result of a past event;
- it is probable that a transfer of economic benefit will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

A contingent liability arises from a past event that gives the Group and the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Group and the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management have made the following judgements:

- Estimate the annual value to the Group and the College of the rental lease gifts in kind, taking into account comparative market rates for the size, condition and location of the premises as well as the College's usage requirements and ability to pay.
- Determine whether leases entered into by the Group and the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- *Tangible fixed assets*

  Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

2 Funding body grants

	Year ending 31 July		Year ending 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
			Restated	Restated
	£	£	£	£
Recurrent grants				
Department for Education – 16 -19	1,464,555	1,464,555	1,159,510	1,159,510
Department for Education - apprenticeships	3,023,021	3,023,021	2,676,827	2,676,827
Specific grants				
Teacher Pension Scheme contribution grant	112,231	112,231	70,963	70,963
Release of Government capital grants	194,536	194,536	347,879	347,879
Government revenue grants	-	-	238,933	238,933
Total	**4,794,343**	**4,794,343**	**4,494,112**	**4,494,112**

3 Tuition fees and education contracts

	Year ending 31 July		Year ending 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£	£	£	£
Total: Education contracts	**23,130**	**23,130**	**1,088**	**1,088**

4 Other grants and contracts

	Year ending 31 July		Year ending 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£	£	£	£
Grant Funding	37,395	37,395	-	-
Total	**37,395**	**37,395**	-	-

5. Other income

	Year ending 31 July		Year ending 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£	£	£	£
Rental Income	27,127	-	12,224	-
Other income generating activities	39,249	39,249	5,400	5,400
Miscellaneous Income	30,142	24,402	937	450
Total	**96,518**	**63,651**	**18,561**	**5,850**

6. Investment income

	Year ending 31 July		Year ending 31 July	
	2025	2025	2024	2024
	Group	College	Group	College
	£	£	£	£
Interest receivable	2,210	49	147	73
Total	**2,210**	**49**	**147**	**73**

7. Donations and endowments

	Year ending 31 July 2025 Group £	Year ending 31 July 2025 College £	Year ending 31 July 2024 Group £	Year ending 31 July 2024 College £
Unrestricted donations	757,475	144,045	442,660	98,889
Restricted donations	183,696	7,000	237,300	34,800
Donated services	1,240,957	-	614,116	-
Total	**2,182,128**	**151,045**	**1,294,076**	**133,689**

8. Staff Costs

The average number of persons (including key management personnel) employed by the College during the year, described as headcount, was:

	2025 Group No.	2025 College No.	2024 Group No.	2024 College No.
Teaching staff	21	16	15	15
Non-teaching staff	54	1	49	1
	75	**17**	**64**	**16**

Staff costs for the above persons

	2025 Group £	2025 College £	2024 Group £	2024 College
Wages and salaries	3,271,887	899,316	2,721,932	845,497
Social security costs	385,759	110,063	291,820	93,871
Other pension costs (note 16)	423,378	238,926	339,767	186,132
Payroll sub total	**4,081,023**	**1,248,305**	**3,353,519**	**1,125,500**
Contracted out staffing services	290,186	250,912	186,100	103,948
Ex-gratia costs	11,000	-	-	-
Total Staff costs	**4,382,210**	**1,499,217**	**3,539,619**	**1,229,448**

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the College and are represented by the College Executive Leadership Team which comprised the Chief Executive Officer, Dean, Principal, Director of Degree Apprenticeships, Director of External Relations, Director of Finance and Operations and Director of Quality and Curriculum.

Emoluments of Key management personnel, Accounting Officer and other higher paid staff

	2025 No.	2024 No.
The number of key management personnel including the Accounting Officer was:	7	7

For the salary ranges set out below, the number of key management personnel who received annual emoluments excluding pension contributions and employer's national insurance but including benefits in kind was 7. For the same ranges, the number of other staff who received annual emoluments excluding pension contributions and employer's national insurance but including benefits in kind was 3.

There were 4 other members of staff who had a total emolument of under £60,000 but would have exceeded that threshold on a full-time equivalent (FTE) basis. Of these there were 3 members of staff who would have been in the £60-65,000 range and 1 in the £70-75,000 range on a full-time equivalent (FTE) basis. (2024: There were 3 other members of staff who had a total emolument of under £60,000 but would have exceeded that threshold on a full-time equivalent (FTE) basis. Of these there was 1 member of staff who would have been in the £60-65,000 range, 1 in the £65-70,000 range and 1 in the £70-75,000 range on an FTE basis).

	2025		2024	
	Key management Personnel	Other Staff	Key management personnel	Other staff
	No.	No.	No.	No.
£20,001 to £25,000	-	-	1	-
£25,001 to £30,000	-	-	1	-
£45,001 to £50,000	1	-	-	-
£60,001 to £65,000	1	2	2	2
£65,001 to £70,000	-	1	-	-
£70,001 to £75,000	4	-	2	-
£95,001 to £100,000	1	-	1	-
	7	**3**	**7**	**2**

Key management personnel compensation is made up as follows;

	Group	
	2025	2024
	£	£
Salaries	499,685	411,818
Employers' National Insurance	63,332	51,953
Performance related pay and bonus	-	15,718
	563,017	**479,489**
Pension contributions	92,794	72,726
Total key management personnel compensation	**655,811**	**552,215**

Total key management personnel includes £665,811 (2024: £552,215) in respect of the College. Figures are higher than the previous year due to the current year including more full time Senior Post Holders.

The above compensation includes amounts payable to the Accounting Officer (who is also the highest paid officer) of:

	Group	
	2025	2024
	£	£
Salaries	98,215	92,221
Employers' National Insurance	12,861	12,912
Performance related pay and bonus	-	8,342
	111,076	**113,475**
Pension contributions	28,168	23,383

The remuneration package of Senior Post Holders staff, including the Chief Executive and Director of Finance and Operations, is subject to the annual review by the Remuneration Committee of the Board who use benchmarking information to provide objective guidance.

The members of the Corporation other than the Accounting Officer and the staff member did not receive any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

Relationship of Chief Executive pay and remuneration expressed as a multiple	**2025**	**2024**
Chief Executives' basic salary as a multiple of the median of all staff	2.47	3.24
Chief Executives' total remuneration as a multiple of the median of all staff	2.89	3.44

Compensation for loss of office paid to former key management personnel:	**2025**	**2024**
	£	£
Compensation paid to the former post-holder	11,000	-
Estimated value of other benefits, including provisions for pension benefits	-	-
Total compensation	**11,000**	-

The severance payment was approved by the College's Remuneration Committee.

9. Other operating expenses

	Year ended 31 July 2025		Year ended 31 July 2024	
	Group	College	Group	College Restated
	£	£	£	£
Teaching costs	199,489	176,846	164,982	150,076
Non-teaching costs	714,871	3,470,419	663,952	3,640,353
Premises costs^	1,627,589	34	1,279,312	28
Total	**2,541,949**	**3,647,299**	**2,108,246**	**3,790,457**

^Includes £1,240,957 of donated services (2024: £614,116)

Other operating expenses include:	**2025**	**2024**
	£	£
Auditors' remuneration:		
Financial statements audit*	51,858	37,770
Internal audit	20,747	30,286
Rental of building under operating leases	1,240,957	568,645

*Includes £31,260 in respect of the College (2024: £24,000)

10. Taxation

The members do not believe that the Group and the College was liable for any corporation tax arising out of its activities during the year.

11a. Fixed Assets - Group

	Leasehold Property Refurbishment	Office & IT Equipment	Software	Furniture & Fittings	Total
Cost	£	£	£	£	£
At 1 August 2024	**796,189**	**1,671,769**		**327,880**	**2,795,838**
Additions	-	206,343	232,584	-	**438,927**
Disposals	(1,633)	-		-	**(1,633)**
At 31 July 2025	**794,556**	**1,878,112**	**232,584**	**327,880**	**3,233,132**
Depreciation					
At 1 August 2024	**31,827**	**839,796**	-	**271,490**	**1,143,113**
Provided in year	30,758	401,482	-	25,689	**457,929**
Disposals	-	-		-	-
At 31 July 2025	**62,584**	**1,241,278**	-	**297,179**	**1,601,042**
Net Book Value at 31 July 2025	**731,972**	**636,834**	**232,584**	**30,702**	**1,632,090**
Net Book Value at 31 July 2024	**764,362**	**831,973**	-	**56,390**	**1,652,725**

11b. Fixed Assets - College

	Leasehold Property Refurbishment	Office & IT Equipment / software	Furniture & Fittings	Total
Cost	£	£	£	£
At 1 August 2024	-	**353,453**	-	**353,453**
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 July 2025	-	**353,453**	-	**353,453**
Depreciation				
At 1 August 2024	-	**117,831**	-	**117,831**
Provided in year	-	117,804	-	**117,804**
Disposals	-	-	-	-
At 31 July 2025	-	**235,635**	-	**235,635**
Net Book Value at 31 July 2025	-	**117,818**	-	**117,818**
Net Book Value at 31 July 2024	-	**235,622**	-	**235,622**

12. Trade and other receivables

	At 31 July		At 31 July	
	2025	2025	2024	2024
	Group	College	Group	College Restated
	£	£	£	£
Trade receivables	120,817	91,062	109,434	36,800
Prepayments and accrued income	402,809	241,279	541,730	409,980
Amounts due from subsidiary undertakings	-	1,104,631	-	1,070,834
Total	**523,626**	**1,436,972**	**651,164**	**1,517,614**

13. Creditors: amounts falling due within one year

	At 31 July		At 31 July	
	2025	2025	2024	2024
	Group	College	Group Restated	College Restated
	£	£	£	£
Trade payables	242,076	95,843	36,426	13,259
Other taxation and social security	-	-	(1,304)	43
Accruals	196,810	29,552	175,438	38,910
Holiday accruals	28,379	1,640	35,062	2,929
Amounts due to subsidiary undertakings	-	-	-	256,973
Deferred income	167,500	-	217,500	-
Other creditors	41,529	30,994	74,596	66,530
Finance lease liabilities	59,769	-	42,058	-
Deferred capital grants	211,911	211,911	183,093	183,093
Total	**947,974**	**369,940**	**762,869**	**561,737**

14. Cash and cash equivalents

	At 1 August 2024	Cash flows	At 31 July 2025
	£	£	£
Cash and cash equivalents	657,511	36,667	694,178
Total	**657,511**	**36,667**	**694,178**

15. Creditors: amounts falling due after one year

	2025 Group	2025 College
	£	£
Finance Leases	30,649	-
Deferred Capital Grants	861,937	861,937
Total	**892,586**	**861,937**

Deferred Capital Grants

	Group Restated £	College Restated £
As at 31 July 2024:		
Land and Buildings	762,730	762,730
Equipment	308,104	308,104
Cash Received		
Land and Buildings	108,256	108,256
Equipment	89,205	89,205
Release to Income and Expenditure Account:		
Land and Buildings	(30,758)	(30,758)
Equipment	(163,779)	(163,779)
As at 31 July 2025:		
Land and Buildings	840,228	840,228
Equipment	233,620	233,620
	1,073,848	**1,073,848**

The 2024 opening balances of capital grants have been restated following a change in accounting policy for grant income recognition as described in note 24.

16. Events after the reporting period

There were no events after the reporting period (2024: none)

17. Pensions

The College's academic staff belong to the Teachers' Pension Scheme England and Wales (TPS). This is a multi-employer defined-benefit plan. Support staff employed by the subsidiary, National College for Digital Skills Limited belong to the Aviva Workplace Pension, a defined contribution scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was 31 October 2023.

Total Group pension cost for the year	**2025** £	**2024** £
Teachers' Pension Scheme: contributions paid	238,926	186,133
Aviva Workplace Pension Scheme	184,451	153,634
Total pension cost for the period within staff costs	423,377	339,767

A refund of £800 was due (2024: Nil) from the Aviva Workplace Pension scheme at 31 July 2025 as a result of an over-payment. There were no contributions owing to the Teachers' Pension Scheme at 31 July 2025 (2024: £nil).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education (the Department) in October 2023. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service at the effective date of £262 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222 billion giving a notional past service deficit of £40 billion (compared to £22 billion in the 2016 valuation).

As a result of the valuation, new employer contribution rates rose to 28.68% from April 2024 (compared to 23.68% during 2018/19). A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

18. Related party transactions

Due to the nature of the Group and College's operations and the composition of the Corporation being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of Corporation may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Group and College's financial regulations and normal procurement procedures.

Expenses of £752.50 were paid to one Corporation member during the year (2024: nil).

No Corporation member received any remuneration or waived payments from the Group or the College during the year in connection with their role as Corporation members (2024 – none). The Corporation includes a number of staff members who receive remuneration in their capacity as employees of the college rather than as members of the Corporation.

Fundraising income amounting to £80,045 (2024: £77,791) was received from Bank of America. Gillian Lancaster, a member of the Board is a Managing Director at Bank of America. Personal donations of £2,800 (2024: £4,600) were made by Corporation members during the year, along with a £20 donation (2024: £100) from a member of Key Management Personnel.

***National College for Digital Skills Limited* – a wholly owned subsidiary providing operational and marketing support to the College.**

The College paid National College for Digital Skills Limited (NDCS) £3,355,118 during the year (2024 restated - £3,578,224) relating to the provision of premises, operational and marketing support. At year end there was an outstanding balance of £1,104,631 (2024 restated - £1,070,834) due to the College reflecting capital grant funding transferred to NCDS fund refurbishment costs and purchase fixed assets.

19. Restricted Funds

	At 1 August 2024 Restated	Incoming resources	Resources expended	At 31 July 2025
	£	£	£	£
Group				
a) Restricted funds – Student Bursaries	62,108	50,000	(31,969)	80,139
b) Restricted funds - Salesforce	94,203	-	(9,906)	84,297
c) Restricted – other	170,996	130,000	(156,960)	144,036
	327,307	**180,000**	**(198,835)**	**308,472**

	At 1 August 2024 Restated	Incoming resources	Resources expended	At 31 July 2025
	£	£	£	£
College				
a) Restricted funds – Student Bursaries	7,860	20,000	(24,979)	2,881
b) Restricted funds - Salesforce	94,203	-	(9,905)	84,299
c) Restricted – other	1,778	-	(1,778)	-
	103,841	**20,000**	**(36,662)**	**87,179**

a) Student Bursaries – funding provided for student bursaries

b) Salesforce – funding provided for organisation expand support of young adults from underserved backgrounds in London and Manchester.

c) Restricted – other, currently comprises a restricted grant from PA Foundation to support people from disadvantaged backgrounds into apprenticeship roles.

20. Operating lease commitments

As at 31 July 2025, the Group has premises in Victoria, London and Ancoats, Manchester on 25 year leases with notional rent – this is unchanged in the last year.

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

	2025	2024
	£	£
Expiring:		
1 Year	5,201	5,201
2-5 Years	5,201	10,403
	10,402	**15,604**

21. Amounts disbursed as agent – Learner support funds

	2025	2024
	£	£
16-18 bursary grants	28,604	23,254
Disbursed to students	(39,665)	(32,361)
Balance overspend as at 31 July	**(11,061)**	**(9,107)**

The college distributes 16-19 discretionary and vulnerable bursaries and free meals in further education (FEFM) funds to students as an agent for DfE.

In the accounting period ended 31 July 2025, the college received a total of £28,604 and disbursed £39,665 from DfE 16-19 discretionary and vulnerable bursaries and FEFM funding.

As at 31 July 2025, the cumulative overspend on 16-19 discretionary and vulnerable bursary funds and FEFM funding is £11,061. Comparatives for the accounting period ended 31 July 2024 are £23,254 received from DfE, £32,361 disbursed to learners, and total cumulative overspend of £9,107.

22. Contingent liabilities

Due to the nature of the College's agreement with funding bodies, the College's learner records are periodically subject to audit by representatives of the funding bodies in a subsequent accounting period. There is a possibility that these audits would identify learner records that did not fully comply with the funding rules and so the College would be required to repay some of the funding received. The amounts of the potential obligation if such an audit was to be undertaken cannot be reliably estimated.

23. Events after the reporting period

There are no events after the reporting period.

24. Accounting policy change

The Group as changed its accounting policy for the treatment of capital grants from recognising income on receipt to deferral of all Government capital grants which are now treated on an accruals basis. The change results in a prior year adjustment, requiring a retrospective restatement by:

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

*The effect of this change is a reduction in the value of restricted grant income and corresponding restricted reserves and creditors by £1,070,834.

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

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

		Group			College	
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
31 July 2024 (comparative period)						
Comprehensive income as previously reported	1,300,757	(392,329)	908,428	(240,136)	(262,790)	(502,926)
Accounting policy changes*:						
Reversal of income from capital grants	(1,070,834)	-	(1,070,834)	(1,070,834)	-	(1,070,834)
Reversal of expenditure under SLA	-	-	-	1,070,834)	-	1,070,834
Restated comprehensive income 31 July 2024	**229,923**	**(392,329)**	**(162,406)**	**(240,136)**	**(262,790)**	**(502,926)**
Closing reserves as previously reported	2,156,141	170,486	2,326,627	400,949	139,221	540,170
Accounting policy changes*:						
Reversal of income from capital grants	(1,070,834)	-	(1,070,834)	(1,070,834)	-	(1,070,834)
Reversal of expenditure under SLA	-	-		1,070,834	-	1,070,834
Transfers between reserves**	(758,000)	758,000	-	(297,108)	297,108	-
Restated reserves at 31 July 2024	**327,307**	**928,486**	**1,255,793**	**103,841**	**436,329**	**540,170**
Creditors as previously reported			(634,773)			(378,644)
Accounting policy change – restatement			(1,070,834)			(1,070,834
Restated Creditors at 31 July 2024			**(1,705,606)**			**(1,449,478)**
Debtors as previously reported						446,780
Accounting policy change – restatement						1,070,834
Restated Debtors at 31 July 2024						**1,517,614**