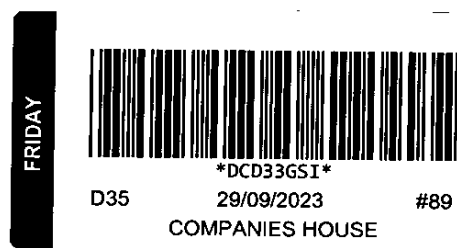


ANS Academy Limited

Unaudited Annual Report and Financial Statements

For the year ending 31 December 2022



Directors' report

The directors present their annual report and unaudited financial statements for the year ending 31 December 2022. The Company was formerly called UKFast.Net Limited and changed its name on 7 December 2022.

During the year the Group completed the integration of the brand names, operations, staff-base and management of the former UKFast and ANS businesses following the 2021 acquisition of ANS. From 1 April 2022 the two trading subsidiaries were legally merged under ANS Group Limited by way of ANS Group Limited acquiring the trade and assets of UKFast.Net Limited.

UKFast.Net Limited then changed its name to ANS Academy Limited and retained all the costs and income in relation to the apprenticeship academy.

Principal Activity

Founded in 2013, the ANS Academy was created to address the digital skills gap. The ANS Academy provides an award-winning, Ofsted Outstanding apprenticeship scheme, offering fantastic development opportunities to apprentices and supporting our talent pipeline.

The ANS Academy was awarded an 'outstanding' classification by Ofsted and has been awarded 55th by "Apprenticeship top 100 Employers 2022".

Directors

The directors who served the company during the year and up to the date of this report were as follows:

Neil Lathwood (resigned 28 June 2022)
Victoria McCahill (appointed 6 October 2022)
Richard Thompson (appointed 6 October 2022)
Darren Taylor (resigned 28 June 2022)
Catherine Greening (resigned 14 November 2022)
William Pullman (resigned 28 June 2022)
Charlotte Bentley-Crane (resigned 28 June 2022)
Paul Shannon (resigned 29 September 2022)
Steven Townsley (resigned 8 September 2022)
Christopher Hodgson (resigned 29 September 2022)

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors and directors of its subsidiaries.

Going concern

The Group, of which the Company is part, has sufficient financial resources, together with contracts with a large number of customers across different industries. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully. The directors have undertaken a rigorous assessment of the Group's ability to continue as a going concern, as documented in the strategic report of the financial statements of ANS Group Holdings Limited (the highest parent company in which ANS Academy Limited's results are consolidated). The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Approved by the Board on 25 September 2023 and signed on its behalf by:



Richard Thompson
Director

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

Statement of total comprehensive income

For the year ending 31 December 2022

		2022	2021
	<i>Note</i>	£'000	£'000
Turnover	2	16,750	64,962
Cost of sales		(7,944)	(16,137)
Gross profit		8,806	48,825
Administrative expenses		(4,728)	(29,485)
Operating profit		4,078	19,340
Interest payable and similar expenses	6	(34)	(58)
Interest receivable	7	1,544	5,007
Profit before taxation		5,588	24,289
Taxation	8	(688)	(492)
Profit for the financial period		4,900	23,797

All activities of the company are continuing.

The company has no recognised gains or losses other than the profit for the financial period as shown above.

Balance sheet

As at 31 December 2022

	<i>Notes</i>	<i>2022</i> <i>£'000</i>	<i>2021</i> <i>£'000</i>
<i>Fixed assets</i>			
Investments	10	-	-
Intangible Assets	11	-	2,450
Tangible Assets	12	-	13,276
<i>Current assets</i>			
Debtors	13	-	8,410
Cash at bank and in hand		-	2,121
<i>Non-current assets</i>			
Debtors: amounts falling due after more than one year	14	71,723	55,071
<i>Creditors: amounts falling due within one year</i>	15	-	(14,503)
<i>Total assets less current liabilities</i>		<u>71,723</u>	<u>66,825</u>
<i>Creditors: amounts falling due after more than one year</i>		<u>-</u>	<u>-</u>
<i>Net assets</i>		<u>71,723</u>	<u>66,825</u>
<i>Capital and reserves</i>			
Called up share capital	16	-	-
Profit and loss account		71,723	66,825
<i>Shareholders' funds</i>		<u>71,723</u>	<u>66,825</u>

For the financial year ending 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Under this section, ANS Group Holdings Limited provides a parent guarantee for the company over its outstanding liabilities.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

The financial statements of ANS Academy Limited (registered number 03845616) were approved by the board of directors and authorised for issue on 25 September 2023. They were signed on its behalf by:



Richard Thompson
Director

Notes to the financial statements

For the year ended 31 December 2022

Notes to the financial statements

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year. These financial statements present the company's financial results and position for the year ending 31 December 2022.

General information and basis of accounting

ANS Academy Limited is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is 1 Archway, Birley Fields, Manchester, M15 5QJ.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of ANS Academy Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

ANS Academy Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes
- The requirement to disclose key management compensation

Equivalent disclosures are included in the consolidated financial statements of ANS Group Holdings Limited, a company incorporated in England and Wales, in which the company's financial statements for the year ended 31 December 2022 are consolidated.

The company has taken advantage of an exemption from disclosing transactions with ANS Group Holdings Limited's wholly-owned subsidiaries.

Consolidated financial statements

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared consolidated financial statements and it is exempt from the requirement to do so under Section 400 of the companies Act 2006.

Going concern

The Group, of which the Company is part, has sufficient financial resources, together with contracts with a large number of customers across different industries. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully. The directors have undertaken a rigorous assessment of the Group's ability to continue as a going concern, as documented in the strategic report of the financial statements of ANS Group Holdings Limited (the highest parent company in which the company's results are consolidated). The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Financial instruments

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

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

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

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

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

Debt instruments that comply with all of the condition of paragraph 11.9 of FRS 102 are classified as 'basic'. For debt instruments that do not meet the conditions of FRS 102.11.9, the company considers whether the debt instrument is consistent with the principle in paragraph 11.9A of FRS 102 in order to determine whether it can be classified as basic. Instruments classified as 'basic' financial instruments are measured subsequently at amortised cost using the effective interest method. Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

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

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

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability, then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by repayments made in the period.

Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

Revenue recognition

Turnover represents the amounts derived from the provision of goods and services which fall within the Company's ordinary activities, stated net of value added tax.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Pensions

Contributions to defined contribution schemes are recognised in the Profit and loss account in the period in which they become payable.

Investments

Investments in subsidiaries are measured at cost less impairment.

Related party transactions

In accordance with Section 33 of FRS 102, the Company has not disclosed details of transactions with fellow wholly owned undertakings within the ANS Group Holdings Limited group of companies.

Notes to the financial statements

For the year ended 31 December 2022

2. Turnover

All turnover arose in the United Kingdom and was related to the provision of managed hosting and cloud services and government funds provided for the apprenticeship programme.

An analysis of the company's turnover by category is as follows:

	2022	2021
	£'000	£'000
Provision of services	16,750	64,962

3. Operating profit

This is stated after charging:

	2022	2021
	£'000	£'000
Depreciation of owned tangible fixed assets	1,423	5,859
Amortisation of intangible fixed assets	349	1,281
Operating lease rentals – land and buildings	81	320

4. Directors' remuneration

	2022	2021
	£'000	£'000
Emoluments	1,891	1,736
Company contributions to money purchase pension schemes	40	28
	1,931	1,764

Remuneration payable to the highest paid director was as follows:

	2022	2021
	£'000	£'000
Remuneration	371	866

5. Staff costs

	2022	2021
	£'000	£'000
Wages and salaries	4,391	13,750
Social security costs	497	1,527
Pension costs	119	267
	5,007	15,545

The average number of employees (including executive directors) in the Group during the period was made up as follows:

	2022	2021
	Number	Number
Office, management and sales	88	313

Notes to the financial statements

For the year ended 31 December 2022

6. Interest payable and similar expenses

	2022	2021
	£'000	£'000
Bank interest payable	34	58

7. Interest receivable

	2022	2021
	£'000	£'000
Bank interest receivable	-	1
Amounts due from group undertakings	1,544	5,006
	<u>1,544</u>	<u>5,007</u>

8. Tax on profit

Tax on profit

The tax charge is made up as follows:

	2022	2021
	£'000	£'000
<i>Current tax:</i>		
UK corporation tax on the profit for the year	-	290
Adjustment in respect of previous periods	821	(219)
Total current tax charge	<u>821</u>	<u>72</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	(256)	373
Adjustment in respect of previous periods	204	188
Effect of changes in tax rates	(81)	(141)
Total deferred tax	<u>(134)</u>	<u>420</u>
Total tax charge (note 9(b))	<u>688</u>	<u>492</u>

(a) Factors affecting tax charge for the year

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted 24 May 2022, and the UK deferred tax asset as at 31 December 2022 has been calculated based on this rate.

Notes to the financial statements

For the year ended 31 December 2022

8. Tax (continued)

b) Reconciliation of tax charge

The difference between the total tax charge shown above and the amount calculated by applying Standard rate of UK Corporation Tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Profit	5,587	24,289
Profit multiplied by standard rate of corporation tax in the UK of 19%	1,062	4,615
<i>Effects of:</i>		
Income not taxable for tax purposes	-	(444)
Expenses not deductible for tax purposes	(93)	150
Adjustments to tax charge in respect of previous periods	1,024	(30)
Effects of group relief/other relief	(1,224)	(3,657)
Effects of tax rate changes	(81)	(141)
Total tax charge for the year (note 9(a))	688	492

(c) Deferred tax asset:

	2022 £	2021 £
At 1 January 2020	592	1,010
Adjustment in respect of prior years	(203)	(188)
Charge for the year	337	(232)
Transfer of trade	(726)	2,638
At 31 December 2020	-	592

The asset for deferred taxation is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	-	447
Short-term timing differences	-	145
	-	592

The deferred tax asset is regarded as due in more than one year as it is not expected to reverse in the next 12 months.

Notes to the financial statements

For the year ended 31 December 2022

9. Dividends

Dividends on shares classed as equity

	2022	2021
	£	£'000
Paid during the year:		
Interim dividends on ordinary shares	-	12,652
Dividend per ordinary share	-	6

10. Investments

	2022	2021
	£'000	£'000
Subsidiary undertakings	-	-

The company had investments in the following subsidiary undertakings during the period ending 31 December 2022

Subsidiary	Registered office	Principal activity	Holding
Secure Information Assurance Limited	1 Archway, Birley Fields, Manchester, M15 5QJ	Hosting services	100%
Secure Information Assurance Holdings Limited	1 Archway, Birley Fields, Manchester, M15 5QJ	Holding company	100%
Clear Cloud Integration Limited	1 Archway, Birley Fields, Manchester, M15 5QJ	Cloud solutions provider	100%
UKFast Inc	913 N Market Street, Suite 200, Wilmington, Delaware, 19801	Dormant company	100%

Notes to the financial statements

For the year ended 31 December 2022

11. Intangible assets

	<i>Development costs</i> £'000
Cost:	
At 1 January 2022	10,050
Transfer on acquisition	(10,050)
At 31 December 2022	-
Amortisation:	
At 1 January 2022	7,601
Transfer on acquisition	(7,601)
At 31 December 2022	-
Net book value:	
At 31 December 2022	-
At 31 December 2021	2,450

12. Tangible fixed assets

	<i>Land and buildings</i> £'000	<i>Plant and machinery</i> £'000	<i>Fixtures and fittings</i> £'000	<i>Computer and office equipment</i> £'000	<i>Total</i> £'000
Cost:					
At 1 January 2022	7,575	56,971	1,358	1,192	67,096
Transfer on acquisition	(7,575)	(56,971)	(1,358)	(1,192)	(67,096)
At 31 December 2022	-	-	-	-	-
Depreciation:					
At 1 January 2022	2,151	49,519	1,057	1,094	53,821
Transfer on acquisition	(2,151)	(49,519)	(1,057)	(1,094)	(53,821)
At 31 December 2022	-	-	-	-	-
Net book value:					
At 31 December 2022	-	-	-	-	-
At 31 December 2021	5,424	7,452	301	98	13,276

Notes to the financial statements

For the year ended 31 December 2022

13. Debtors

	2022 £'000	2021 £'000
Trade debtors	-	4,741
Amounts owed by Group undertakings	-	-
Deferred tax asset	-	592
Corporation tax	-	1,368
Other debtors	-	1,710
	<u>-</u>	<u>8,410</u>

14. Debtors: amounts due after more than one year

	2022 £'000	2021 £'000
Amounts due from group undertakings	71,723	55,071

15. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	-	2,679
Other taxation and social security costs	-	1,994
Accruals	-	5,835
Deferred income	-	3,142
Other creditors	-	853
	<u>-</u>	<u>14,503</u>

16. Called up share capital and reserves

	2022 No.	2022 £	2021 No.	2021 £
Ordinary shares of £0.001 each:				
Ordinary shares	2,060	2	2,060	2

Notes to the financial statements

For the year ended 31 December 2022

17. Financial instruments

The carrying values of the company's financial assets and liabilities are summarised by category below:

	2022	2021
	£'000	£'000
<i>Financial assets</i>		
Measured at undiscounted amount receivable		
Trade and other debtors (see note 13)	-	6,450
Amounts due from group undertakings	71,723	55,071
	<u>71,723</u>	<u>61,521</u>

Financial liabilities

Measured at undiscounted amount payable

	2022	2021
	£'000	£'000
Trade and other creditors (see note 15)	-	3,532

The company's income, expense, gains and losses in respect of financial instruments are summarised below:

	2022	2021
	£'000	£'000
<i>Interest income and expense</i>		
Total interest expense for financial liabilities	34	58
Total interest income for financial assets	1,544	5,007

Notes to the financial statements

For the year ended 31 December 2022

18. Other financial commitments

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

	<i>Land and buildings</i>	<i>Land and buildings</i>
	<i>2022</i>	<i>2021</i>
	<i>£'000</i>	<i>£'000</i>
Within one year	-	320
Between two and five years	-	1,280
More than five years	-	1,909
	<u>-</u>	<u>3,509</u>

19. Related party transactions

In accordance with Section 33 of FRS 102, the Company has not disclosed details of transactions with fellow wholly owned undertakings within the ANS Group Holdings Limited group of companies.

20. Controlling party

The largest and smallest group in which the results of the Company are consolidated is that of ANS Group Holdings Limited.

Funds controlled by Inflexion Private Equity Limited are the ultimate controlling party.

The Company's immediate controlling party is ANS Leaders Limited, a company registered in England and Wales whose registered address is 1 Archway, Birley Fields, Manchester, M15 5QJ.