



Absolute Return for Kids (ARK)

Annual Report and Accounts

For the year ended 31 August 2025

Company limited by guarantee, registration number: 04589451

Charity registration number: 1095322

Contents

Legal, reference and administrative details.....	1
Overall approach.....	2
Trustees' Report including Strategic Report.....	2
Statement of Trustees' Responsibilities	17
Independent auditor's report	19
Consolidated Statement of Financial Activities (including income and expenditure account)	24
Charity Statement of Financial Activities (including income and expenditure account).....	26
Consolidated Balance Sheet.....	27
Charity Balance Sheet	28
Consolidated Statement of Cash Flows	29
Notes to the Accounts	31

Legal, reference and administrative details

Absolute Return for Kids (ARK) (referred to throughout as 'Ark', or 'the charity') is a company limited by guarantee, registered in England and Wales, number 04589451, and is a UK registered charity, number 1095322.

Directors The directors of the charity are its trustees for the purposes of charity law and the members of the company limited by guarantee. Throughout this report, they are collectively referred to as the trustees. The following individuals served as trustees during the year:

Ian Wace (Chair)
Anthony Clake
Lord Fink
Sir Paul Marshall

None had any beneficial interest in the charity and remuneration of trustees is neither paid by the charity nor permitted under its Articles of Association.

Company Secretary Kathryn Godfrey

Senior Management Lucy Heller, Chief Executive
Rosemary Dixon, Director of Strategy
Laurie Grist, Director of Projects
Katie Oliver, Director of Ark Ventures
Jacqueline Russell, Chief Financial Officer
Venessa Willms, Managing Director of Ark Schools

Registered Office 1EdCity, EdCity Walk, London, W12 7TF

Auditor Buzzacott Audit LLP, 130 Wood Street, London, EC2V 6DL

Bankers Lloyds Bank plc, 70–71 Cheapside, London, EC2V 6EN

Solicitors Stone King LLP, Upper Borough Court, Upper Borough Walls, Bath, BA1 1RG

Investment Managers Aurum Funds Limited, 80 Charlotte Street, London, W1T 4QS

MW Eureka Fund, c/o Citco Fund Services (Ireland) Limited, Custom House Plaza, Block 6, International Financial Services Centre, Dublin 1, Ireland

Overall approach

Ark is an education charity that aims to make sure that all children, regardless of their background, have access to a great education and real choices in life.

Ark supports Ark Schools, a separate legal entity which is a successful academy network, with 39 schools serving approximately 30,000 pupils. Ark also delivers a range of programmes and ventures that all aim to improve education beyond its schools.

Trustees' Report including Strategic Report

Activities, achievements and performance

Ark has a long history of incubating and supporting new initiatives that address some of the most intractable issues in education and society. Since 2002, Ark has incubated and scaled more than 28 organisations supporting health, social care, child protection and education activities. Most (including Ambition Institute, Assembly, Frontline, Global Schools Forum, Now Teach, Peepul and Purposeful Ventures) continue to operate independently today, working globally to impact over 45 million children.

As Ark has grown, the focus has turned increasingly to education. Today, Ark's network of 39 schools serves 30,000 children in Birmingham, Hastings, London and Portsmouth. Drawing on tried and tested processes in its own schools, Ark develops new approaches that are then shared with the wider sector through its ventures.

Ark's current ventures include:

- Ark Start, a growing group of nurseries offering high-quality early years education;
- Ark Curriculum Plus, which develops subject excellence resources and training for over 700 schools nationally;
- EdCity, a non-profit partnership with Hammersmith & Fulham Council, that is designed to open up economic and educational opportunities for local people and bring the education sector together to connect and collaborate for wider system impact.

Activities, achievements and performance (continued)

Ark Start

Ark Start offers a new model of affordable, high-quality early years care that lays the groundwork for school readiness and lifelong learning. Since opening in 2020, Ark Start has provided more than 700 children with a quality early education, so they leave nursery ready to thrive at primary school.

Achievements and performance this year:

- Ark Start operates a network of nurseries in London with five open by August 2025. Three nurseries opened during the year: Ark Start St Clement in Holland Park; Ark Start Globe in Elephant & Castle and Ark Start Brunel in North Kensington. Preparatory work took place for the opening of two further sites in 2025/26.
- In the Summer 2025 cohort, 95 percent of Ark Start children achieved a Good Level of Development (GLD) compared to the government's national target of 75 percent by 2028.
- Over the past four years, 91 percent of Ark Start children have met GLD, 24 percentage points higher than the national average of 67 percent. 86 percent of those from disadvantaged backgrounds were school ready, compared to 51 percent of disadvantaged children nationally.

Priorities for 2025/26 are to:

- Open five new settings in London: an expansion of Ark Start Oval and a new site at Ark Start John Keats and a further three nurseries, Ark Start Earls Court, Ark Start All Saints and Ark Start Acton.
- Develop a cluster of Ark Start nurseries in Yorkshire from September 2026, in partnership with other multi-academy trusts.
- Continue working with a broad range of partners to advocate for early years and its importance in establishing foundations for learning.

Activities, achievements and performance (continued)

Ark Curriculum Plus

Ark Curriculum Plus (AC+) shares and scales the teaching approaches that have a proven impact in Ark's schools. Launched as Maths Mastery in 2012, AC+ now offers seven Mastery programmes and works in partnership with 733 schools nationally.

Achievements and performance this year:

- Two programmes were launched to meet the evolving needs of schools: English Mastery Primary and Maths Mastery Secondary.
- Ark's high-quality Sentence Mastery Sequence, a writing resource to support improvements in the teaching of writing in English, was made freely available, nationally.
- The Education Endowment Foundation extended their support for Maths Mastery, to accelerate take-up and enable 200 schools to benefit from an 80 percent government subsidy.
- Science Mastery was Highly Commended for 'Evidence and Impact' in the BESA (British Educational Suppliers Association) Awards in Summer 2025.
- AC+ supported five out of the top 100 most improved schools for pass rates in GCSE English and four out of the top 100 for pass rates in GCSE maths.
- AC+ grew by 15 percent and achieved a renewal rate of 84 percent.

Priorities for 2025/26 are to:

- Support partner schools to deliver high-impact approaches in response to the release of the government's Curriculum and Assessment Review.
- Provide free sector-wide support as schools adjust to the scale of change.
- Launch a new digital platform, which will provide the foundation for more digital innovation.
- Increase joint working with other outward-facing Ark programmes including Ark Teacher Training.

Ark Start and Ark Curriculum Plus are reported within UK Education, along with any passthrough grants and support to Ark Schools.

EdCity

In 2024, Ark opened the doors to EdCity – a £150 million development in west London – providing facilities for learning, living and working. The campus is a non-profit partnership between Ark and Hammersmith & Fulham Council, including an office block, a nursery, Ark White City Primary Academy, a youth zone, an adult skills hub, and affordable housing.

Activities, achievements and performance (continued)

EdCity (continued)

The EdCity office is designed to bring mission-aligned organisations together to focus on improving the lives of children, especially through education. It offers a blend of whole floor office leasing, flexible office workspaces, event space, and commercial uses. In the first year, the building welcomed six other tenants, and membership grew to more than 117 individuals and organisations. Over 50 events were held during the year to foster collaboration and learning, with themes ranging from leadership and school funding to early years and cross-sector collaboration.

Ark is grateful to the Ark trustees, to the London Borough of Hammersmith & Fulham, to Bloomberg, and to all our other partners who have worked to make EdCity a reality.

Future plans:

- The move to EdCity brings new opportunities for collaboration. In 2025/26, work will focus on convening and promoting EdCity as a space to connect, collaborate and learn together.
- The provision of co-working space will be extended, with Ark taking on an additional lease from February 2026 for the 4th Floor, which has been made possible following a new grant from Bloomberg.
- In parallel, leasing of the building will continue to be marketed, with the long-term expectation that income generated from the building will support Ark's work.

Ark Schools

Ark Schools is the main beneficiary of Ark's fundraising activities. Ark Schools is a multi-academy trust operating 39 academies in Birmingham, Hastings, London and Portsmouth.

Achievements and performance this year:

- Ark Schools remained one of the highest-performing multi-academy trusts in the country for primary outcomes. In 2024/25, 78 percent of children leaving an Ark primary school achieved at least the expected level in reading, writing and maths compared to a national average of 62 percent. At secondary, Ark Schools is the highest performing large multi-academy trust at A level and the highest performing multi-academy trust of any size for BTEC or similar qualifications.
- 86 percent of Ark students progressed to university, more than twice the national average of 37 percent. Of those, 74 percent went to a top third university (versus 41 percent nationally) and 20 percent progressed to a top 15 university.

Activities, achievements and performance (continued)

Ark Schools (continued)

Achievements and performance this year (continued):

- Increased opportunities were provided for students across all phases in sport, music, arts, culture, and careers. This year, 4,000 students took part in free music-making activities beyond core music lessons, 2,750 students participated in Ark's network-wide competitions, and 177 were selected for scholarships in athletics, football and basketball. The expanding Ark Culture programme offered 130 artist-led workshops and performances to 4,700 students in Portsmouth and Hastings. Statutory funding cannot cover all these entitlements, so fundraising is undertaken to support these programmes.
- The Ark Learning Institute, Ark's centre of excellence for professional development, includes Ark Teacher Training (ATT) – an Ofsted 'Outstanding' programme that partners with 168 schools nationally. Over a third (37 percent) of Ark's early career teachers are graduates of ATT. In June 2025, Ark was awarded a Research Mark Plus from the Chartered College of Teaching for a deeply embedded culture of research and evidence use across settings.

Future plans:

Over the past year, Ark Schools has been developing its strategy for the coming decade. The aim is to see every child across the network reach their full potential, thrive at school, and flourish at the next stage. To achieve this, ambitious goals have been set for academic outcomes and equally stretching goals for thriving at school and beyond. The proposed merger with Pontefract Academies Trust, a group of nine schools in West Yorkshire, will establish a new northern hub and grow the Ark Schools network to 48 schools nationally.

Principal risks and uncertainties

Risk management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks. The boards of the charity's subsidiaries meet regularly and consider the risks that relate to their individual programmes as part of the annual review of business plans. In addition, the Finance and Risk Committee (FRC) reviews the risk register to monitor and manage risks, and to report on these to the board. The FRC meets regularly and at least three times per year. The main risks and mitigating actions are described below.

Operational risks

The principal operational risk relates to a decline in income which, in turn, could limit the ability of the organisation to fund programmes and to cover central administrative costs. To limit this risk, long-term relationships are developed with a diverse group of donors, including individuals, trusts and foundations, and corporates. Typically, donated funds are restricted to specific programmes and can be for both annual and multi-year support.

Other key operational risks include:

- Ensuring AC+ can make sufficient investment to respond to the upcoming curriculum review.
- Loss of key staff. Teams have been strengthened through the development of recruitment and retention strategies, including succession plans, staff wellbeing programmes and the implementation of a flexible working policy.

Financial risks

Ark invests its reserves to achieve the best return consistent with the stability of, and ease of access to, capital. The main risks arising from the charity's pursuit of its objectives and the policies agreed by the trustees for managing each of these risks are summarised below:

- The effect of increasing costs, as a result of inflation, especially in staffing. Salary budgets are reviewed and controlled as part of the annual budget setting process. Any in-year increases in salaries or new positions are subject to strict review and approval processes.
- Market price risk, arising over the future value of the charity's investments. The charity engages professionals to manage the investment portfolios and ensures that they are suitably diversified and consistent with the trustees' investment strategy.
- The EdCity office building is not yet fully let, leading to lower than anticipated income from rentals. To mitigate this, a strong pipeline of both charitable and commercial tenants is being developed.

Principal risks and uncertainties (continued)

Financial risks (continued)

- Currency risk, arising over the future value of the charity's investments, which are partly US denominated. The FRC considers the portfolio of foreign currency assets and liabilities as a whole and has adopted a policy whereby forward currency contracts cover most of any net imbalance.
- Credit risk, representing the potential financial loss that the charity might suffer through its supporters failing to honour the financial pledges that they have made to it. The charity manages this risk by regularly monitoring outstanding pledges, especially the small number of high value pledges that derive generally from supporters who are well known to the charity and the trustees. Furthermore, pledges are not recognised as income in the accounts of the charity until cash is received in line with the charity's accounting policies on page 31 to 38 of these accounts.
- Liquidity risk, representing the ability of the charity to meet its liabilities as and when they fall due. The charity continues to direct considerable effort to cash flow management and forecasts to ensure cash is available when required. Investment assets have an adequate level of liquidity, allowing the charity to swiftly convert them to cash should this be required.
- Supplier fraud, especially due to the increased sophistication of attempts, continues to concern the trustees. Multi-factor authentication has been implemented to further protect the organisation, with strict new supplier checks imposed. Staff training on fraud and cyber risks continues, alongside ongoing enhancements to cyber security measures. Cyber Essentials accreditation has been achieved, recognising the strength of cyber security controls.

Financial instrument risks

Ark invests liquid funds in a portfolio that includes hedge fund investments. Many of these investments are denominated in US dollars and hence there is both a currency risk and a market risk on the performance of these investments. The risk is limited through diversification of the portfolio across investment strategies and across investment funds. The investment objective is to outperform cash without significantly increasing risk and historically this portfolio has proved to be significantly less volatile than global equity markets, with positive returns in each of the last ten calendar years. Currency risk is managed by monitoring the net imbalance of foreign currency assets and liabilities and the board has approved the use of forward foreign currency contracts to limit currency gains and losses where the imbalance is regarded as excessive. The forward contracts in place effectively offset most of the foreign currency risk.

Law and regulation risks

There are currently no significant legal or regulatory non-compliance risks perceived by the charity and its subsidiaries.

Financial review

Ark's consolidated income in the year to 31 August 2025 totalled £50.3m (2023/24 – £44.8m), of which £37.9m (2023/24 – £31.3m) was related to the development of EdCity (note 14).

Group expenditure during the year was similar to the previous year at £51.7m (2023/24 – £54.1m). EdCity continues to be the major activity with expenditure of £38.0m (2023/24 – £27.7m) during the year, split between charitable activities of £36.3m (2023/24 – £27.7m) which is predominately build costs for the final phase and £1.7m to support the operation of the investment property (2023/24 – £nil). With work on the school and youth zone completed in 2023/24, additional costs incurred this year of £0.3m were expensed. In 2023/24 total costs of £17.7m were donated to Ark Schools and to Hammersmith & Fulham Youth Zone (note 11).

The office reached full practical completion, including the fit-out of the Ark and Ark Schools spaces, in September 2024, and has since been classified as an investment property. The value of the office grew to £56.7m as an investment property at 31 August 2025 (2023/24 – £49.5m as an asset under construction). The gain on revaluation at the point of recognition as an investment asset was £4.3m.

Ark recorded net income of £4.8m for the year as reported in the consolidated Statement of Financial Activities (SoFA), compared to a £6.7m net expenditure in the previous year. This surplus is largely due to the £4.3m revaluation gain, and the deficit in the prior year from paying over a balance of £11.4m when Purposeful Ventures was discontinued (note 22). As a result, group reserves increased to £42.5m at 31 August 2025 (2023/24 – £37.6m).

The £2.4m cost of raising funds was higher than £0.9m in 2023/24 due to the £1.7m cost of operating the investment property. Other costs include a proportion of the Fundraising Team staff costs, based on the percentage of time spent on fundraising for the charity.

Expenditure by the charity differs from the group in that where a grant is made to a subsidiary company, the total amount committed is shown as expenditure (on grants and project operating costs) for the charity, whereas for the group, the value of funds actually spent by the subsidiary is shown, as all intergroup transactions are eliminated. The charity makes grants to subsidiary companies and programmes to support their charitable activities. The aims and objectives of the programmes supported by the charity are consistent with its own and so support of these programmes contributes to the achievement of the charity's own aims and objectives.

During the period, continuing operations expenditure at the charity level was £7.2m (2023/24 – £32.2m), with the main difference being £22.0m granted to EdCity Office in 2023/24 compared to £nil in the current year.

Financial review (continued)

Core fund income and expenditure

	2025	2024
	£'000	£'000
Contributions arranged by trustees and patrons	1,991	1,271
Bank interest	47	121
Investment fee rebates	318	123
Return on investments	1,484	1,965
Other income	-	208
Total income raised for core costs	3,840	3,688
Less: Expenditure on core costs	(2,656)	(3,222)
Surplus on core funds for the year	1,184	466
Transfer to restricted fund	(415)	(420)
Balance at 1 September	1,975	1,929
Balance at 31 August	2,744	1,975

The Core Fund is a designated fund within the unrestricted fund of the charity and group balance sheets. The income and expenditure in this fund are included in the unrestricted section of the charity and group SoFAs and is further supported by note 14 to the accounts. It has been established by trustees to meet the central, or core, administrative costs of the charity. Trustees are major supporters of the charity and make donations to support the core costs. £1,991k was donated in the year for this purpose (2023/24 – £1,271k). The trustees are confident that these funds, together with investment income and Ark's other sources of core income, will be more than sufficient to cover core cost expenditure in the period ahead.

As the above table shows, at 31 August 2025, a reserve of £2.7m (2023/24 – £2.0m) has been established to cover core costs for the coming year.

Investment fee rebates, included within core income, arise from funds that rebate their fees as a donation to Ark. Where capital is invested in a fund controlled by the trustees of Ark, 100% of fees are donated in this way.

Ark also maintains a general programme fund for funding specific projects as approved by the trustees. At 31 August 2025, a balance of £0.2m was held in this fund (2023/24 – £0.6m), as several projects were pending trustee approval and funding.

Financial review (continued)

Balance Sheet

The typical life cycle of funding for programmes within Ark Schools that are sponsored by Ark is three to five years and Ark generally underwrite part or all of the cost and set aside reserves at the outset. In the group balance sheet, these programme commitments are shown as grant creditors. The total value of grant creditors in the group balance sheet at 31 August 2025 was £11.5m (2023/24 – £17.1m) of which £8.3m (2023/24 – £9.5m) is due in less than one year.

In addition to the core costs fund, the group also holds an additional amount of £39.7m (2023/24 – £35.7m): £33.8m as restricted funds (2023/24 – £29.7m), which includes £28.6m (2023/24 – £24.5m) in respect of EdCity, £5.7m as endowment funds (2023/24 – £5.4m) held for the benefit of individual academies within Ark Schools, and £0.2m as unrestricted funds held in its General Programme Fund (2023/24 – £0.6m).

This funding model is considered by the trustees to be reasonably prudent and results in a significant balance of cash and investments due to the receipt of funds in advance of application in programmes. Due to funding for programmes received in the year, the total of cash and investments in the group balance sheet is lower than the prior year at £40.0m (2023/24 – £43.9m).

The FRC oversees the group and charity's cash management. During the year, the group's main bank accounts were held with Lloyds Banking Group. At 31 August 2025, 100% of the group's cash was invested in the Lloyds accounts (2023/24 – 100%). The profile of the charity's cash holdings are dependent on the working capital needs of Ark's programmes.

At 31 August 2025, the non-cash investments held by the charity represented 62.3% of total cash and invested funds (2023/24 – 79.4%) and the board, on recommendation from the FRC, has approved this as reasonable. The objective for Ark's investments is to outperform cash without significantly increasing risk. The liquidity of the investments is such that they can easily be redeemed should cash be required. To maximise returns, investment holdings are actively prioritised over cash at bank, and investments are redeemed only when required. While this results in a relatively low net current asset value of £2.8m (2023/24 - £3.5m), the accuracy of cashflow forecasting allows this to be closely monitored to ensure all liabilities are settled as they fall due.

Funds and Reserves

Total reserves at the year-end amounted to £42.5m (2023/24 – £37.6m) for the group and £4.0m (2023/24 – £3.6m) for the charity. Ark's policy on reserves is to maintain an unrestricted fund (General Programme Fund and Core Costs Fund) at a level that ensures Ark is able to meet its financial commitments and obligations as they fall due, fund unexpected expenditure when unplanned events or programmes occur, and safeguard the charity from uncertainty over future income.

Financial review (continued)

Funds and Reserves (continued)

The appropriate level of free reserves is set at an amount sufficient to cover unfunded expenditure from unrestricted funds for a minimum period of six months in the event of a significant fall in income. The value of six months' core (unrestricted) operating expenditure approximates to £1.3m with the year-end unrestricted reserves for costs standing at £2.7m (2023/24 – £2.0m).

Costs are closely monitored to ensure that unrestricted reserves remain sufficient to meet financial commitments and obligations.

Restricted funds

Ark achieves its charitable objectives through direct implementation of projects by its own charitable subsidiaries and by way of grants to partner organisations.

Note 14 shows how these reserves are split across Ark's various programmes.

Unrestricted funds – General Programme Fund

The majority of funds raised by Ark are for specific purposes and/or charitable projects (i.e. they cannot be used to cover the organisation's core costs) and are either passed directly to the beneficiary or, for multi-year projects, held as grant creditors until transferred. Where income is not committed to a specific project at the point of receipt, it can be credited to Ark's General Programme Fund. The General Programme Fund is used to fund specific projects endorsed by the trustees.

Unrestricted funds – Core Costs Fund

The trustees ensure that the central administrative costs of the charity are met through funds set aside specifically for that purpose. In the balance sheet, these funds are shown under unrestricted funds - core costs. The balance held on this fund is broadly equivalent to twelve months' expenditure on core costs at 2024/25 levels (2023/24 – seven months).

Unrestricted funds – EdCity co-working space

The EdCity co-working space fund comprises income and expenditure relating to the office workspaces and event space provided by the charity within the EdCity office building. The purpose of the project is to develop an educational hub in west London. All income and expenditure relating to the co-working space are unrestricted, as the project generates its own income and the trustee grant funding does not impose restrictions on how its objectives are achieved.

Financial review (continued)

Investment Policy

The Ark charity had a portfolio of investments (excluding cash) with a market value as at 31 August 2025 of £9.3m (2023/24 – £17.9m). Ark invests to further its charitable aims, taking into consideration the environmental, social, and governance aspects of the investments in line with its values. There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and considers income requirements, with the risk profile and the investment manager's view of the market prospects in the medium term. The overall investment policy is to outperform cash without significantly increasing risk.

Grant-Making Policy

The trustees apply the funds of Ark at their discretion and in accordance with the charitable purposes and objectives of the charity. Grants are made to programmes mostly operated within the Ark family of organisations. Grants are awarded based on the strategic and financial requirements of each programme. Requests are reviewed by the board and are subject to regular reviews of performance against the grant. Expenditure on grant-making is recognised annually in the consolidated statement of financial activities.

Statement of public benefit

Trustees have paid due regard to the Charity Commission's public benefit guidance and are satisfied that the charity complies with Section 4 of the Charities Act 2011. The sections at the beginning of this trustees' report dealing with objectives and achievements explain in detail the activities of the charity and the sections of the international community that benefited from Ark's work. The charity does not rely to any significant extent on the services of volunteers, with the exception of the contribution of time and skills from the trustees and a small number of patrons and advisors.

Approach to fundraising

Ark fundraises from a defined list of individuals, companies, and charitable trusts and foundations. Ark does not conduct mass mailing or telephone campaign fundraising and has no plans to start this kind of fundraising activity. Ark's network of schools conducts their own fundraising and may use fundraising platforms to promote specific school campaigns, including JustGiving. Ark has a small team of professional fundraisers and support staff. The charity does not outsource fundraising activities. Donor data is handled with care – information is held on a secure database, and files are managed by Ark. Ark is a paid member of the Fundraising Regulator and complies with advice and guidance set by the body. The charity has not received any fundraising complaints.

Trustees' assessment of going concern status

The trustees have considered the risks facing the charity, the forecast of cash flows, and the level of reserves and are satisfied that Ark will be able to meet all financial obligations as they fall due over the next 12 months following approval of the accounts and therefore conclude that the charity is a going concern.

Governance

Governing document

Ark is a company limited by guarantee governed by its Memorandum and Articles of Association dated 12 November 2002 and is registered as a charity with the Charity Commission.

Organisation

The board of trustees, which can have up to 10 members, oversees the charity. The board meets at least twice a year. There is also a programme board to oversee each venture, and a Finance and Risk Committee (FRC). The FRC reports to the board and makes recommendations in their areas of responsibility. Trustee vacancies are advertised, and prospective candidates will meet with members of the Ark senior management team and the Chair of the board of trustees as part of the appointment process. New trustees undergo an induction programme that includes meeting the senior management team, a briefing on their role and responsibilities, and meetings with existing trustees and the Advisor to the board.

The following individuals served as trustees during the financial year and up to the date these financial statements were approved:

Ian Wace (Chair)

Anthony Clake

Lord Fink

Sir Paul Marshall

Executive directors are appointed by the trustees to oversee the day-to-day operations of the charity. The executive directors, referred to as the senior management team, have delegated authority for operational matters including finance and employment.

The following individuals served on the senior management team during the financial year and up to the date these financial statements were approved, except as indicated:

Lucy Heller (Chief Executive)

Rosemary Dixon (Director of Strategy)

Laurie Grist (Director of Projects)

Katie Oliver (Director of Ark Ventures)

Jacqueline Russell (Chief Financial Officer)

Máire Sloman (Chief People Officer)

Resigned 22 September 2025

Venessa Willms (Managing Director of Ark Schools)

Appointed 1 September 2025

Governance (continued)

Remuneration statement

Pay and benefits for the Chief Executive are determined by the Chair of the board in consultation with other board members and the Advisor to the board. When deciding pay and benefits for the rest of the organisation, including the senior management team, salary survey information and other relevant data is used as a benchmark to compare against similar organisations in the voluntary sector.

The Advisor to the board, who is an employee of the charity and has delegated authority from the Ark board, will review and approve all pay proposals for direct reports to the Chief Executive, excluding the Managing Director of Ark Schools, whose remuneration is funded by Ark Schools and approved by the Ark Schools board. Ark salaries, including those of the senior management team, are set on appointment and reviewed annually in accordance with pay review procedures.

Related parties

The charity has established a number of companies to implement its programmes. Subsidiaries are listed in note 18.

Ark Schools is a multi-academy trust that is responsible for the schools that Ark runs in the UK. Ark is the sole member of Ark Schools. Ark Schools is registered in England and Wales as a company limited by guarantee (company number 05112090) and an exempt charity. It has the same registered address as Ark. Ark Schools receives the majority of its income from the UK Government and, due to the requirement for ultimate government control of these funds, does not form part of the group in these accounts.

Ark UK Programmes is responsible for Ark's work in UK education beyond Ark Schools. Ark UK Programmes is registered in England and Wales as a company limited by guarantee (company number 05932797) and is a registered charity (charity number 1137932). It is wholly owned by Ark and consolidated in these accounts. It has the same registered address as Ark.

The EdCity project is being delivered out of three Special Purpose Vehicles (SPVs):

- EdCity Office (ECO), incorporated on 1 October 2018, is a registered charity and company limited by guarantee (charity number 1184547; company number 11596797). The company was established for the purpose of the development and ongoing management of the EdCity office building, located on the EdCity site.
- EdCity Development Limited, incorporated on 10 August 2018, is a company limited by guarantee (company number 11511870). The company was established for the sole purpose of managing the development of the EdCity project, on behalf of ECO and the other development partners.
- EdCity Management Company Limited, incorporated on 21 August 2018, is a company limited by guarantee (company number 11528726). It is responsible for the estate management of EdCity on behalf of the owners and tenants, including managing the public realm and energy centre.

Governance (continued)

Related parties (continued)

All EdCity SPVs are wholly owned subsidiaries of Ark and are consolidated in these accounts. They are all registered in England and Wales at the same address as Ark.

Ark established Ark (South Africa) Limited to run the charity's programmes in sub-Saharan Africa. The directors elected to cease all activities and deregister the entity in September 2023. Ark (South Africa) Limited was formally dissolved by Companies House on 12 November 2024 and has been removed from the Central Register of Charities (previously registered in England and Wales as a charitable company limited by guarantee - company number 04957091; charity number 1108175). This entity is therefore no longer included in the group accounts.

Ark is also affiliated to Absolute Return for Kids US, Inc. (Ark US), a US philanthropic organisation which shares Ark's mission, and which supports the work of the charity through grants. Following a reduction in US giving, this organisation is currently dormant and is in the process of being dissolved. This entity is therefore not included as part of the group accounts.

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the charitable company and of the income and expenditure of the group for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: statement of recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in operation.

The trustees are responsible for keeping proper accounting records and disclosing with reasonable accuracy at any time the financial position of the group and charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware;
- the trustee has taken all the steps required of trustees to make themselves aware of any relevant audit information and establish that the charity's auditors are aware of that information.

The confirmation is given and should be interpreted in accordance with the provision of section 418 of the Companies Act 2006. The trustees are responsible for the maintenance and integrity of information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

Statement of Trustees' Responsibilities (continued)

This report was approved by the board of trustees and signed on its behalf by:



Ian Wace

Trustee

Approved by the board on 15 April 2026

Independent auditor's report to the members of Absolute Return for Kids (Ark)

Opinion

We have audited the financial statements of Absolute Return for Kids (Ark) (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 August 2025 which comprise the group and charitable parent company statement of financial activities, the group and charitable parent company balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 August 2025 and of the group's income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charitable parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable parent company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company and group through discussions with trustees and other management, and from our knowledge and experience of the 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 charitable company, including the Charities Act 2011, Companies Act 2006, data protection legislation, employment and, in respect of the EdCity projects, the CIS scheme in relation to taxation;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ 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 charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ used data analytics to investigate the rationale behind any significant or unusual transactions.

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;
- ◆ reviewing the minutes of meetings of those charged with governance;
- ◆ enquiring of management as to actual and potential litigation and claims; and
- ◆ reviewing any available correspondence with the charitable company's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine Patel (Senior Statutory Auditor)
for and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 20 April 2026

Consolidated Statement of Financial Activities (including income and expenditure account)

For the year ended 31 August 2025

					Year ended	Year ended
		Unrestricted	Restricted	Endowments	31-Aug-25	31-Aug-24
	Notes	£'000	£'000	£'000	Total	Total
					£'000	£'000
<i>Income and endowments from:</i>						
Donations and legacies						
Donations	2	3,023	4,518	-	7,541	31,804
Donated services	2	-	85	-	85	442
Charitable activities		-	3,620	-	3,620	2,837
Investment income	3a	365	1,717	-	2,082	364
Other	3b	338	36,320	-	36,658	9,210
Continuing operations		3,726	46,260	-	49,986	44,657
Discontinued operations	2 & 22	-	280	-	280	130
Total		3,726	46,540	-	50,266	44,787
<i>Expenditure on:</i>						
Raising funds						
Charitable activities	4	685	1,659	57	2,401	906
Support to programmes	4 & 5	3,179	45,793	-	48,972	41,748
Continuing operations		3,864	47,452	57	51,373	42,654
Discontinued operations	4 & 22	-	280	-	280	11,412
Total		3,864	47,732	57	51,653	54,066
Net (expenditure) income before other gains and losses		(138)	(1,192)	(57)	(1,387)	(9,279)
Net gains on unlisted investments	6 & 9	1,484	-	390	1,874	2,621
Revaluation gains on investment property	9	-	4,323	-	4,323	-
(Losses) on foreign currency transactions		(1)	-	-	(1)	(5)
Net income (expenditure)		1,345	3,131	333	4,809	(6,663)
<i>Fund transfers</i>	14	(938)	938	-	-	-
<i>Net movement in funds</i>	7	407	4,069	333	4,809	(6,663)
Total funds brought forward		2,562	29,728	5,355	37,645	44,308
Total funds carried forward		2,969	33,797	5,688	42,454	37,645

The notes on pages 31 to 67 form an integral part of these financial statements.

There are no recognised gains and losses other than those shown above.

Consolidated Statement of Financial Activities (including income and expenditure account) (continued)

For the year ended 31 August 2025

	Continuing operations 2025 £'000	Discontinued operations 2025 £'000	Year ended 2025 £'000	Continuing operations 2024 £'000	Discontinued operations 2024 £'000	Year ended 2024 £'000
Total income	49,986	280	50,266	44,657	130	44,787
Total expenditure	(51,316)	(280)	(51,596)	(42,299)	(11,412)	(53,711)
Net income (expenditure) for the year	(1,330)	-	(1,330)	2,358	(11,282)	(8,924)

The income and expenditure account above excludes the movement on the endowment funds. It is stated before losses/gains on investments and transfers.

The summary income and expenditure account is derived from the statement of financial activities on page 24 which, together with the notes to the financial statements on pages 31 to 67, provide full information on the movements during the year on all the funds of the charity.

Total income of £50,266k (2023/24 – £44,787k) comprises £3,726k (2023/24 – £2,417k) in relation to unrestricted funds and £46,260k (2023/24 – £42,370k) in relation to restricted funds. A detailed analysis of income and expenditure by source is provided in the statement of financial activities and the notes to the financial statements.

Net expenditure for the year of £1,330k (2023/24 – net expenditure of £8,924k) comprises net expenditure of £138k (2023/24 – £805k net expenditure) in relation to unrestricted funds and net expenditure of £1,192k (2023/24 – £8,119k net expenditure) in relation to restricted funds, as shown in the statement of financial activities.

Charity Statement of Financial Activities (including income and expenditure account)

For the year ended 31 August 2025

	Notes	Unrestricted £'000	Restricted £'000	Year ended 31-Aug-25 Total £'000	Year ended 31-Aug-24 Total £'000
Income from:					
Donations and legacies					
Donations	2	3,023	2,319	5,342	29,994
Donated services	2	-	85	85	442
Charitable activities					
Investment income	3a	365	-	365	244
Other	3b	338	-	338	208
Continuing operations		3,726	2,404	6,130	30,888
Discontinued operations	2 & 22	-	280	280	130
Total		3,726	2,684	6,410	31,018
Expenditure on:					
Raising funds	4	685	-	685	851
Charitable activities	4 & 5	3,179	3,342	6,521	31,370
Continuing operations		3,864	3,342	7,206	32,221
Discontinued operations	4 & 22	-	280	280	130
Total		3,864	3,622	7,486	32,351
Net (expenditure) before gains on investment and losses on foreign exchange		(138)	(938)	(1,076)	(1,333)
Net gains on investments	6	1,484	-	1,484	1,971
(Losses) on foreign currency transactions		(1)	-	(1)	(5)
Net income (expenditure)		1,345	(938)	407	633
Fund transfers	14	(938)	938	-	-
Net movement in funds	7	407	-	407	633
Reconciliation of funds					
Total funds brought forward		2,562	1,054	3,616	2,983
Total funds carried forward		2,969	1,054	4,023	3,616

The notes on pages 31 to 67 form an integral part of these financial statements.

There are no recognised gains and losses other than those shown above.

Consolidated Balance Sheet

As at 31 August 2025

Company number 04589451

	<i>Notes</i>	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	8	132	49,493
Investment property	9	57,342	642
Investments	6	17,780	24,444
		<u>75,254</u>	<u>74,579</u>
Current assets			
Debtors	10	3,839	3,980
Cash at bank and in hand		22,201	19,488
		<u>26,040</u>	<u>23,468</u>
Liabilities			
Creditors: amounts falling due within one year	12	(23,196)	(19,983)
Net current assets		<u>2,844</u>	<u>3,485</u>
Creditors: amounts falling due after one year	12	(35,644)	(40,419)
Total net assets		<u>42,454</u>	<u>37,645</u>
Total Funds of the Group			
Endowment funds		5,688	5,355
Restricted income funds		33,797	29,728
Unrestricted funds:			
General Programme Fund		220	587
Core costs fund		2,744	1,975
EdCity co-working space		5	-
Total Group funds	14	<u>42,454</u>	<u>37,645</u>

The notes on pages 31 to 67 form an integral part of these financial statements.

Approved by the board of trustees and signed on its behalf by:



Ian Wace

Trustee

Date: 15 April 2026

Charity Balance Sheet

As at 31 August 2025

Company number 04589451

	Notes	2025 £'000	2024 £'000
Fixed assets			
Investments	6	11,785	18,917
Concessionary loans	10	4,000	4,500
		<u>15,785</u>	<u>23,417</u>
Current assets			
Debtors	10	2,041	1,558
Cash at bank and in hand		3,182	3,648
		<u>5,223</u>	<u>5,206</u>
Liabilities			
Creditors: amounts falling due within one year	12	(10,841)	(13,981)
Net current liabilities		<u>(5,618)</u>	<u>(8,775)</u>
Creditors: amounts falling due after one year	12	(6,144)	(11,026)
Total net assets		<u>4,023</u>	<u>3,616</u>
Total funds of the Charity			
Restricted income funds		1,054	1,054
Unrestricted funds:			
General Programme Fund		220	587
Core costs fund		2,744	1,975
EdCity co-working space		5	-
Total charity funds	14	<u>4,023</u>	<u>3,616</u>

The notes on pages 31 to 67 form an integral part of these financial statements.

Approved by the board of trustees and signed on its behalf by:



Ian Wace
Trustee

Date: 15 April 2026

Consolidated Statement of Cash Flows

For the year ended 31 August 2025

	Notes	Year ended 31-Aug-25 Total £'000	Year ended 31-Aug-24 Total £'000
Net cash (used in) provided by operating activities	20	(3,600)	7,262
Cash flows from financing activities			
New borrowings and interest capitalised		-	20,285
Loan repayment		-	(22,060)
Net cash (used in) provided by financing activities		-	(1,775)
Cash flows from investing activities			
Dividends, interest and rent from investments		1,615	357
Purchase of property, plant, and equipment		(2,342)	(19,132)
Proceeds from sale of investments		8,384	11,139
Transfer of endowments funds		-	(300)
Purchase of investments		(1,343)	(7,647)
Net cash provided by (used in) investment activities		6,314	(15,583)
Change in cash and cash equivalents due to exchange rate movements		(1)	(2)
Net change in cash and cash equivalents		2,713	(10,098)
Cash and cash equivalents at 1 September		19,488	29,586
Cash and cash equivalents at 31 August		22,201	19,488

Consolidated Statement of Cash Flows (continued)

For the year ended 31 August 2025

Analysis of cash and cash equivalents

	Year ended 31-Aug-25 Total £'000	Year ended 31-Aug-24 Total £'000
Cash at bank and in hand	22,201	19,488
Cash and cash equivalents at 31 August	22,201	19,488

Analysis of changes in net debt

	At 1 September 2024 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 August 2025 £'000
Cash at bank and in hand	19,488	2,713	-	22,201
Loans	(32,874)	-	(113)	(32,987)
	(13,386)	2,713	(113)	(10,786)
Finance lease obligations	(19)	-	6	(13)
Total	(13,405)	2,713	(107)	(10,799)

The notes on pages 31 to 67 form an integral part of these financial statements.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies

Basis of preparation

These financial statements have been prepared for the year to 31 August 2025.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Charities Act 2011 and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

The accounts consolidate Ark and its project implementing subsidiaries active during the year: Ark UK Programmes, EdCity Development Limited, EdCity Management Company Limited and EdCity Office. All intra-group balances, transactions, incomes, and expenses are eliminated on consolidation.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- Estimating the impact of inflation on the charity's income and expenditure, and assessing income from new sales and activities, for the purpose of preparing cash flow forecasts and budgets to assist in the assessment of going concern;
- Allocating support costs across charitable activities;
- Timing of income recognition for programme fees;
- The basis of allocating costs in relation to the construction and fit-out of the project as capital or as expenditure;
- Classification of leases as finance or operating;
- The discount rate used in assessing the present value of future lease payments for the investment property (Hambling Court); and
- Measurement of fair values of listed investments and the Group's investment properties.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect of a period of one year from the date of approval of these accounts.

The trustees are confident that despite the challenges from the current economic climate, Ark and its subsidiaries have access to sufficient resources to continue for the foreseeable future. EdCity Office is now operational with several floors let and generating income. The trustees acknowledged the challenges in the rental market and for that reason, decided to fully fund the repayment of the London Borough of Hammersmith & Fulham loan during the prior year. The building continues to be actively marketed. The trustees remain fully committed to Ark.

AC+ has undertaken a full strategic review including a review of programme design to ensure it remains resilient to market and cost pressures.

A number of significant areas of judgement that affect items in the accounts are detailed above. In addition, the most significant areas that affect the carrying value of the assets held by the charity in the next accounting period (the year ending 31 August 2026) are the level of investment return and the performance of the investment and property markets (see the investment policy and the risk management sections of the trustees' report for more information). Whilst this is likely to lead to a reduction in income, the trustees remain of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The trustees have concluded that there are adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Fund accounting

Unrestricted funds are those which the donor gives to the charity without stipulating a specific purpose. They are to be used for the furtherance of the objectives of the charity in general and may be applied to specific projects at the discretion of the trustees.

Within unrestricted funds, the charity maintains three separate funds: Core Costs, EdCity co-working space and the General Programme Fund (GPF). The Core Costs fund covers income and expenditure relating to the central administrative costs of the charity. The EdCity co-working space fund comprises income and expenditure related to the office workspaces, event space, and commercial uses provided by the charity in the EdCity office building. The GPF holds income which must be used to fund specific charitable projects as approved and funded by the trustees (i.e. cannot be used to cover the organisation's core costs).

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Fund accounting (continued)

The relevant income is credited to the GPF and when the board commits funds to a specific project, the required amount of funding is either managed directly through the GPF or transferred to the relevant restricted fund.

The endowment fund represents monies invested on behalf of individual Ark academies. Any returns generated on these funds can be used without restriction, but only by the academy in question, and are therefore recognised as restricted income. The initial capital can only be used with agreement of the Secretary of State for Education, unless it is spent on 'equipment, facilities, accommodation, landscaping and signage' at the relevant academy. The Ark All Saints Academy endowment is a permanent endowment for which Ark UK Programmes has been appointed as the trustee.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Unrestricted income is accounted for on a receivable basis. Restricted income is accounted for on a receivable basis but subject to recognising any donor restrictions. Where the corresponding programme expenditure can be clearly identified and matched with donor receipts, the income is recorded in the same accounting period as the expenditure and income is deferred if not fully spent. Income is not accrued except where there is a clear contractual entitlement, and such income is then only recognised to the extent that the corresponding expenditure is recorded in the same accounting period. Deposit interest is recognised on an accrual basis.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market. An equivalent amount is included as expenditure.

EdCity generates income through the leasing of office accommodation to a range of occupiers, including charities, social enterprises and commercial tenants with a focus on social and educational activities. The long-term objective is for EdCity to generate sustainable rental income from office lettings to support Ark's charitable activities, with income intended to contribute towards the charity's core operating costs. The property is managed through a leasing model that enables occupiers to align workspace provision with environmental, social and governance considerations, with social value reflected in the ongoing operation and financial management of the development.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Income (continued)

Investment income from investment properties, investments and bank accounts is recognised in the periods they relate to.

Rental income from the investment property is recognised on a straight-line basis over the lease term.

Property cost recharges are recognised in the period the investment property recharges relate to. These include, but are not limited to, service charge, utility and insurance cost recharges.

Expenditure

Liabilities are recognised as expenditure once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

Ark and Ark UK Programmes are registered as a VAT Group with Ark Schools and reclaim VAT on business-related expenditure. Irrecoverable VAT is included in expenditure when incurred.

Costs of raising funds include those incurred in seeking donations for the charity and in publicising the work of the charity. Costs associated with the operation of the Investment property are also included as cost of raising funds from September 2024.

Expenditure on charitable activities comprise expenditure related to the direct furtherance of the charity's objectives. In the accounts of the charity, the award of a grant is recorded as charitable expenditure and the unexpended amount is held in the balance sheet as a grant creditor. In the accounts of the group, any such grant to a subsidiary company is not recognised as expenditure; instead, the expenditure in the subsidiary is recognised as the charitable expenditure when incurred. Any unspent grant is recognised in the group balance sheet as a restricted fund.

Allocation of overhead and support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office, finance, payroll, and governance costs that support the charity's programmes and activities. Governance costs are those incurred in connection with the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements.

Where costs cannot be directly attributed, they have been allocated to activities in line with the time spent by individual members of staff or the department on each activity.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Tangible fixed assets

Costs directly attributable to the acquisition or development of an asset which is expected to bring a future economic benefit to the charity and have a useful life exceeding one year are capitalised. Assets in the course of construction are capitalised at cost, but no depreciation is charged until the construction of the asset is complete and ready for its intended use.

The charity's main asset, the EdCity office building, was first occupied in September 2024 and transferred to investment property from this date to be carried at fair value.

Leasehold improvements are depreciated on a straight line basis over the useful life of the asset or the lease length, whichever is the shorter. Furniture and fittings for the Ark Start nurseries with a combined value of less than £50k and where no individual item is greater than £5k are not capitalised. Items with a combined value of £50k or over, or individual items that are greater than £5k, are capitalised and depreciated over five years. Premises costs are expensed where a nursery is operating under a licence to occupy.

Investment property

Investment properties are held to earn rentals and/or for capital appreciation. They are initially recognised at cost, including directly attributable transaction costs. Further costs directly attributable to the development of an asset which is expected to bring a future economic benefit to the charity and have a useful life exceeding one year are capitalised, including the cost of major renovations and improvements. Subsequently, investment properties are measured at fair value, with changes in fair value recognised in the statement of financial activities in the period in which they arise. The costs of operating, maintenance, repairs and minor improvements are recognised in the statement of financial activities when incurred, including pass-through costs as part of fundraising costs.

Rental income from investment properties is recognised on a straight-line basis over the lease term.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in the statement of financial activities.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Investments (continued)

A fair value hierarchy that prioritises the inputs to valuation techniques is used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The levels of fair value hierarchy are described below:

- Level 1 (listed investments) – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 (unlisted investments) – Quoted prices in markets that are not active or financial instruments for which all significant inputs are observable either directly or indirectly; and
- Level 3 (unlisted investments) – Prices or valuation that require inputs that are both significant to the fair value measurement and unobservable.

Investments that trade in markets that are not considered to be active but are valued based on quoted market prices for an identical instrument, dealer quotations, or alternative pricing sources supported by observable inputs are classified within Level 2. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub-sectors.

The method of calculating realised gains on withdrawal of investments is on an average historical cost basis.

Arrangements with other project beneficiaries

EdCity Office acts as a conduit for funding in respect of the development of the school and a proportion of the costs for the development of the nursery, adult education, and youth zone as part of the wider EdCity project. As EdCity Office is not the ultimate beneficiary of these elements of the project, once completed, the amounts were granted to the relevant project beneficiary, effectively reflecting a charitable donation. The share of ongoing running costs post completion is expensed as incurred.

Foreign currencies

Charity

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the rate of exchange ruling at the balance sheet date.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Foreign currencies (continued)

Group

Assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange effective at the balance sheet date. All exchange differences are recognised through the statement of financial activities.

Operating lease

Operating lease rentals are charged on a straight-line basis over the term of the lease. Some of the nurseries are operating on a licence to occupy, and therefore the term of the agreement and ultimate risks and rewards of ownership determines whether it is reported as an operating lease. These are included in the charitable activities expenditure in the statement of financial activities.

Finance lease

A finance lease is recognised when it is determined that the lease arrangement transfers substantially all the risks and rewards of ownership to the lessee.

At the commencement of the lease term, Ark recognises its rights of use and obligations under the finance lease as an asset and a liability in the balance sheet at an amount equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, determined at the inception of the lease. Where the implicit rate cannot be determined, the charity's incremental borrowing rate is used.

Any initial direct costs are added to the amount recognised as an asset. Subsequently, the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method, to produce a constant rate of change on the balance of the capital repayments outstanding.

Debtors and prepayments

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Accrued income

Accrued income is income which has been earned but not yet received. It must be recognised in the accounting period in which it arises rather than in the subsequent period in which it will be received.

Notes to the Accounts

For the year ended 31 August 2025

1. Accounting policies (continued)

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material. Grant creditors have been recognised according to the timeline that the funding is expected to be spent over some of which are creditors over one year.

Loans

Concessionary loans, (philanthropic loans which have been given or received at below the prevailing market rate of interest), and commercial loans are initially recognised at the amount received and reviewed annually for impairment.

The balance outstanding at the reporting date includes any interest accrued as per the loan terms agreed.

Discontinued operations

Where a decision has been made to discontinue or terminate an activity in accordance with the definitions contained within FRS 102, income, costs and obligations associated with the discontinuing operation are recognised within the year. The income, costs and obligations are disclosed separately on the face of the statement of financial activities.

Notes to the Accounts

For the year ended 31 August 2025

2. Donations and legacies

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Unrestricted funds				
Contributions to core costs	1,991	1,991	1,271	1,271
General donations	1,032	1,032	694	694
	3,023	3,023	1,965	1,965
Restricted funds				
Restricted grants and donations	4,603	2,404	30,281	28,471
Continuing operations	7,626	5,427	32,246	30,436
Discontinued operations – Restricted funds	280	280	130	130
Total	7,906	5,707	32,376	30,566

The trustees ensure that the core costs of the charity are covered, either from grants and donations or in-year investment returns. Grants and donations include £1,991k (2023/24 – £1,271k) raised for this purpose.

The Group received donated services in the amount of £85k (2023/24 – £442k), which related to pro bono services provided by Bain & Co in the form of UK education consultancy services and is included in restricted grants and donations above.

Notes to the Accounts

For the year ended 31 August 2025

3a. Investment income

Investment income arises from investments and investment properties. This includes rents and property recharges, dividends, fee rebates and interest receivable.

	Unrestricted £'000	Restricted £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Total 2024 £'000
Bank interest group entities	-	153	153	-	8	8
Investment property income	-	1,438	1,438	-	25	25
Endowment Investment Income	-	126	126	-	87	87
Fee Rebates charity*	318	-	318	123	-	123
Bank interest charity*	47	-	47	121	-	121
Total	365	1,717	2,082	244	120	364

*Group figures are represented by the above table, with charity only figures being unrestricted in nature.

3b. Other

Other income includes recharges from various group entities. Ark charges each of its group entities for central resources such as Finance, HR, IT, and a desk charge for the use of space within its office. At group level, this includes recharges from EdCity Development Limited and EdCity Management Company Limited to the London Borough of Hammersmith & Fulham and the Hammersmith & Fulham Youth Zone for construction and estate costs plus costs charged from EdCity Office to the tenants for rent and property services.

	Unrestricted £'000	Restricted £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Total 2024 £'000
Estate management fee and utilities	-	255	255	-	64	64
Income from the development of the EdCity project	-	36,059	36,059	-	8,880	8,880
Non-bank interest	-	6	6	-	58	58
Co-working space income *	338	-	338	-	-	-
Activities related to group entities *	-	-	-	208	-	208
Total	338	36,320	36,658	208	9,002	9,210

*Group figures are represented by the above table, with charity only figures being unrestricted in nature.

Notes to the Accounts

For the year ended 31 August 2025

4. Analysis of expenditure

Group

	Unrestricted funds		Restricted funds		Total 2025 £'000	Total 2024 £'000
	Support costs (note 5) £'000	Activities undertaken directly £'000	Activities undertaken directly £'000	Grant funding of activities £'000		
Expenditure on raising funds						
Cost of raising funds	685	-	-	-	685	851
Endowment Investment management fees	-	-	57	-	57	55
Direct operating costs of the investment property	-	-	1,659	-	1,659	-
	685	-	1,716	-	2,401	906
Expenditure on charitable activities						
UK Education	1,182	-	8,756	688	10,626	12,820
EdCity	788	45	36,349	-	37,182	28,539
EdCity co-working space	-	1,164	-	-	1,164	-
Endowments - Grants to Ark Schools	-	-	-	-	-	300
International Education	-	-	-	-	-	89
	1,970	1,209	45,105	688	48,972	41,748
Continuing operations	2,655	1,209	46,821	688	51,373	42,654
Discontinued operations	-	-	-	280	280	11,412
Total expenditure	2,655	1,209	46,821	968	51,653	54,066

Notes to the Accounts

For the year ended 31 August 2025

4. Analysis of expenditure (continued)

Charity

	Unrestricted funds		Restricted funds		Total 2025 £'000	Total 2024 £'000
	Support costs (note 5) £'000	Activities undertaken directly £'000	Activities undertaken directly £'000	Grant funding of activities £'000		
Expenditure on raising funds						
Cost of raising funds	685	-	-	-	685	851
	685	-	-	-	685	851
Expenditure on charitable activities						
UK Education	1,182	-	1,387	1,955	4,524	8,451
EdCity	788	45	-	-	833	22,830
EdCity co-working space	-	1,164	-	-	1,164	-
International Education	-	-	-	-	-	89
	1,970	1,209	1,387	1,955	6,521	31,370
Continuing operations	2,655	1,209	1,387	1,955	7,206	32,221
Discontinued operations	-	-	-	280	280	130
Total expenditure	2,655	1,209	1,387	2,235	7,486	32,351

Group activities undertaken directly represent programmatic work by the central charity and its operating subsidiaries. For the central charity, this represents where charitable expenditure (as opposed to the cost of raising funds) relates primarily to the set-up of new programmes.

Grant funding of activities represents programmatic work carried out by group and non-group companies and funded by grants from the central charity.

Support costs relate to Ark's core staff team and the London office and are covered by the Core Costs Fund. These costs are allocated to programmes to reflect the estimated share of staff time and related cost.

Notes to the Accounts

For the year ended 31 August 2025

5. Allocation of support costs

Group and Charity

	Management costs £'000	Finance £'000	Governance costs £'000	Other overheads & support staff £'000	Total 2025 £'000	Total 2024 £'000
Expenditure on charitable activities						
UK Education	302	302	166	412	1,182	1,541
EdCity	202	202	111	273	788	830
Continuing operations	504	504	277	685	1,970	2,371
Expenditure on raising funds	311	50	-	324	685	851
Total expenditure	815	554	277	1,009	2,655	3,222

Support costs relate entirely to Ark's London office and the core staff team covering fundraising, communications, finance, HR, general management, and administration.

Ark uses this broad definition of core costs and then covers these costs from funds raised and set aside specifically for this purpose.

The table above shows how the resources covered by the core budget are allocated using the two broad categories required under the Charities SORP FRS102, i.e. charitable activities and raising funds, and is based upon an allocation of the time spent by individual members of staff.

Notes to the Accounts

For the year ended 31 August 2025

6. Investments

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Market value at 1 September	23,425	17,930	26,022	20,835
Additions to investments at cost	1,355	-	7,615	6,000
Disposals at market value	(9,863)	(8,615)	(12,126)	(10,076)
Net unrealised investment gains	1,858	1,484	2,740	1,971
Transfer to cash	(1,480)	(1,480)	(826)	(800)
Market value at 31 August	15,295	9,319	23,425	17,930
Cash held by investment managers for reinvestment	2,485	2,466	1,019	987
	17,780	11,785	24,444	18,917
Cost of listed investments at 31 August	8,396	3,624	11,032	6,472

Disposals are analysed as follows:

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Original cost	3,993	2,848	8,719	6,743
Realised gain	5,870	5,767	3,407	3,333
Disposals at market value	9,863	8,615	12,126	10,076

All listed investments were traded on a recognised stock exchange. Investments held by the group at 31 August 2025 comprised the following:

	2025 £'000	2024 £'000
Overseas equities	3,400	3,089
Fixed interest	1,969	1,883
Alternative assets	9,867	18,445
Foreign exchange	1	8
Short-term deposits	58	-
Cash	2,485	1,019
Total	17,780	24,444

Notes to the Accounts

For the year ended 31 August 2025

6. Investments (continued)

Alternative assets include investments in hedge funds. These include foreign exchange forward contracts which are used to ameliorate the risk associated with holding investments in foreign currencies. These are held by the investment managers and form part of their strategy for managing risk.

	Group	Charity	Group	Charity
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Unrealised gains as at 31 August (Cumulative):				
On investments	6,920	5,695	12,393	11,458
	6,920	5,695	12,393	11,458
Reconciliation of movements in unrealised gains:				
Unrealised gains at 1 September	12,393	11,458	13,837	13,553
Less: in respect of disposals in the year	(5,871)	(5,767)	(3,333)	(3,333)
Cash movement	(1,467)	(1,480)	(825)	(800)
Add: net gains arising on revaluation in the year	1,865	1,484	2,714	2,038
Unrealised gains at 31 August	6,920	5,695	12,393	11,458

7. Net movement in funds

Net movement in funds is stated after charging:

	Group	Charity	Group	Charity
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Operating lease charges	40	-	-	-
Depreciation	18	-	-	-
Auditors' remuneration				
- audit of consolidated accounts	43	43	41	41
- audit of subsidiaries	63	-	52	-
- other audit and tax fees	47	43	-	-
Total	211	86	93	41

Notes to the Accounts

For the year ended 31 August 2025

8. Tangible fixed assets

Group

	Leasehold improvements 2025 £'000	Assets under construction 2025 £'000	Total 2025 £'000	Total 2024 £'000
Cost:				
At 1 September 2024	-	49,493	49,493	30,361
Transfer to investment property	-	(49,493)	(49,493)	-
Additions	90	60	150	19,132
At 31 August 2025	90	60	150	49,493
Depreciation:				
At 1 September 2024	-	-	-	-
Charge for the year	(18)	-	(18)	-
Disposals	-	-	-	-
At 31 August 2025	(18)	-	(18)	-
Carrying value:				
At 1 September 2024	-	49,493	49,493	30,361
At 31 August 2025	72	60	132	49,493

No tangible fixed assets are held by the charity (2023/24 – £nil).

The EdCity office building was transferred from tangible fixed assets to investment property on 1 September 2024.

The remaining tangible fixed assets held by the Group at 31 August 2025 relate to leasehold improvements completed and under construction at Ark Start nursery sites.

Notes to the Accounts

For the year ended 31 August 2025

9. Investment property

	Hambling Court £'000	EdCity office £'000	Total 2025 £'000	Total 2024 £'000
Cost or valuation:				
At 1 September	642	-	642	642
Transfer from tangible fixed assets	-	49,493	49,493	-
Additions at cost	-	2,884	2,884	-
Change in fair value	-	4,323	4,323	-
At 31 August	642	56,700	57,342	642

On 1 September 2024, the EdCity office building was transferred from tangible fixed assets to investment property to reflect the intention of the trustees for the asset to generate a long-term return for Ark. £2,884k of EdCity project costs were capitalised in the year as additions to the investment property (2023/24 – £19,132k as additions to asset under construction) including £nil of capitalised interest (2023/24 – £1,405k as additions to asset under construction).

The EdCity office building was valued on a Fair Value (FRS 102) basis as at August 2025 by Radice Chartered Surveyors in a report dated 10 March 2026 at a valuation of £56.7m, resulting in a gain on revaluation of £4.3m. The report was prepared in accordance with the provisions of the latest version of the RICS Valuation - Global Standards incorporating the IVSC International Valuation Standards and the UK national supplement ('the Red Book') issued by the Royal Institution of Chartered Surveyors, on the basis of the market value of the long leasehold interest of the property.

In the group, long leasehold investment property is held at fair value. As the Hambling Court property was purchased on 20 May 2016, the trustees of Ark UK Programmes have performed the valuation of the property based on publicly available information.

Included in the amount for Hambling Court investment property is £13k (2023/24 – £19k) relating to assets held under a finance lease (note 13).

Notes to the Accounts

For the year ended 31 August 2025

9. Investment property (continued)

Rents receivable

At 31 August 2025, the future minimum receivables under non-cancellable operating leases in respect of rental income from the charity's investment property and co-working spaces were as follows:

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Operating leases – rents receivable				
- Within one year	1,494	411	-	-
- After one, but within five years	5,065	736	-	-
- After more than five years	2,508	-	-	-
	9,067	1,147	-	-

10. Debtors

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Receivable within 1 year				
Trade debtors	561	99	884	22
Prepayments and other debtors	704	144	178	16
Accrued income	907	1,064	1,008	1,317
Cash held by property agent	517	102	228	-
VAT debtor	411	-	1,021	-
Related company debtors (EdCity Office)	-	566	-	63
Related company debtors (Ark UK Programmes and Ark Schools)	739	66	661	140
	3,839	2,041	3,980	1,558
Concessionary Loans				
Receivable greater than 1 year				
Related company debtors (EdCity Office)	-	4,000	-	4,500
	-	4,000	-	4,500

Notes to the Accounts

For the year ended 31 August 2025

10. Debtors (continued)

The Charity has made two concessionary loans to EdCity Office as part of funding the investment property. One for £1.0m is due for repayment upon the tenth anniversary of practical completion of the office building at EdCity and is interest free. The other mirrors the terms of the £3.5m loan received from Ambition Institute (note 12), with £0.5m repayable each year from August 2026 and the loan accrues interest at 0.25% above base.

11. Arrangements with other project beneficiaries

EdCity Office has acted as a conduit for funding in respect of the development of the school and a proportion of the costs for the development of the nursery, adult education, and youth zone as part of the wider EdCity project. As EdCity Office is not the ultimate beneficiary of these elements of the project, the amounts contributed towards these elements of the project were initially held on the balance sheet until the asset was ready and available for the purposes intended. At this point, the accumulated contribution was recorded as a grant to the relevant project beneficiary, effectively reflecting a charitable donation. For information, the following amounts had been received and paid during the year by EdCity Office on behalf of third parties. The balance was donated to the third parties on completion of that particular phase (i.e. April 2024 for the youth zone and October 2023 for Ark White City Primary):

	On behalf of Hammersmith & Fulham Youth Zone for the youth zone development £'000	On behalf of Ark Schools for Ark White City Primary development £'000	On behalf of LBHF for Nursery and Adult Education Centre development £'000	Total £'000
At 1 September 2024	-	-	28	28
Balance owed at 31 August 2025	-	-	28	28

Notes to the Accounts

For the year ended 31 August 2025

11. Arrangements with other project beneficiaries (continued)

The 2023/24 note has been included below for comparison:

	On behalf of Hammersmith & Fulham Youth Zone for the youth zone development £'000	On behalf of Ark Schools for Ark White City Primary development £'000	On behalf of LBHF for Nursery and Adult Education Centre development £'000	Total £'000
Restated balance held at 1 September 2023	3,076	13,194	28	16,298
Cash received during the year	(458)	1,863	-	1,405
Donation of contributions to related parties	(2,618)	(15,057)	-	(17,675)
Balance owed at 31 August 2024	-	-	28	28

12. Creditors

Amounts falling due within 1 year are analysed below:

	Group	Charity	Group	Charity
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Trade creditors	431	91	367	60
Related company creditors (Ark Schools)	1,959	1,228	2,609	1,775
Related company creditors (Ark UK Programmes)	-	186	-	2,110
Grant creditors (Ark Schools)	7,547	7,547	8,758	8,758
Grant creditors (Ark UK Programmes)	-	-	-	143
Grant creditors (Other)	791	791	724	724
Tax and social security creditors	731	34	140	42
Other creditors	6,412	434	5,710	369
Ambition loan (see note 12 (continued))	500	500	-	-
Deferred income (see note 12 (continued))	4,825	30	1,675	-
	23,196	10,841	19,983	13,981

Notes to the Accounts

For the year ended 31 August 2025

12. Creditors (continued)

Movements in deferred income are analysed below.

Group	At 31 August 2024 £'000	Released from previous year £'000	Deferred in current year £'000	At 31 August 2025 £'000
Programme fees	960	(930)	1,145	1,175
Programme grant	-	-	30	30
Other*	715	(715)	3,620	3,620
Total deferred income	1,675	(1,645)	4,795	4,825

*£30k (2023/24 £ nil) within Other relates to the charity rent received in advance from co-working space.

Group	At 31 August 2023 £'000	Released from previous year £'000	Deferred in current year £'000	At 31 August 2024 £'000
Programme fees	1,039	(1,039)	960	960
Programme grant	25	(25)	715	715
Total deferred income	1,064	(1,064)	1,675	1,675

Amounts falling due after 1 year are analysed below:

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Loans (see below)	32,487	3,000	32,874	3,500
Finance lease liability (note 13)	13	-	19	-
Grant creditors (Ark Schools)	2,602	2,602	6,898	6,898
Grant creditors (Other)	542	542	628	628
	35,644	6,144	40,419	11,026

The Charity holds a £3.5m loan from Ambition Institute, £0.5m of which is disclosed in short-term creditors. This loan accrues interest at 0.25% above base and is repayable in any amount on three months' notice. Confirmation has been obtained in July 2025 from the funder that this loan will not be recalled, but repayment of £0.5m will be required annually from August 2026.

Notes to the Accounts

For the year ended 31 August 2025

12. Creditors (continued)

Philanthropic loans included in the above balance include the following:

- Loan 1 - £2.4m – Drawn from The Sequoia Trust in February 2023 at 0% interest. The loan is repayable in full on the earlier of the 31 March 2033 or the sale of the office building.
- Loan 2 - £2.4m – Drawn from The Jagclif Charitable Trust in February 2023 at 0% interest. The loan is repayable in full on the earlier of the 31 March 2033 or the sale of the office building.
- Loan 3 - £21.4m - Drawn from Elba Charitable Foundation. The full loan amount is due for repayment by the fifth anniversary of the agreement date, being between October 2026 and December 2027. If not repaid at this point, the loan incurs interest of 2%. Of the £21.4m balance, £5.0m was in respect of amounts drawn down in 2023/24, £14.4m was in respect of amounts drawn down in 2022/23 and £2.0m in respect of amounts drawn down in 2021/22.
- Loan 4 - £3.0m – agreed with the Resolution Trust in 2021/22. The loan plus interest is repayable on the 20 July 2031. Interest accrues at 3%. Interest accrued and not paid on this loan is £287k (2023/24 – £175k).

Commercial Loan agreements:

In 2023/24 EdCity Office drew down a further £15.4m of a of a loan facility with the London Borough of Hammersmith & Fulham (LBHF) taking the total loan financing amount to £22.2m. In July 2024, £22.2m of debt plus £1.2m of interest was repaid and all security was released.

The maturity of loan financing has been analysed below:

Loan repayable terms	Group	Charity	Group	Charity
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
0-1 years	500	500	-	-
1-2 years	2,500	500	500	500
2-5 years	20,900	1,500	23,900	1,500
5+ years	9,087	1,000	8,474	1,500
	32,987	3,500	32,874	3,500

Notes to the Accounts

For the year ended 31 August 2025

13. Leasing commitments

The future minimum finance lease payments are as follows:

	2025	2024
	£'000	£'000
Not later than one year*	-	-
Later than one year and not later than five years	2	2
Later than five years	299	299
Total gross payment	301	301
Less: finance charges	(288)	(282)
Carrying amount of liability	13	19

*Lease payments of £400 are due in no later than one year.

The finance lease element of the property is based on future rental payments and discounted by a long-term interest rate of 5.6% (2023/24 – 4.54%).

The future minimum operating lease payments are as follows:

	Group	Charity	Group	Charity
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
- Within one year	547	477	-	-
- After one, but within five years	2,149	1,909	-	-
- After more than five years	2,059	1,909	-	-
	4,755	4,295	-	-

Ark signed a 10 year commitment lease with EdCity Office for the Ground and First floor of EdCity as part of the co-working offering.

Two new operating leases were signed by Ark Start during the period to 31 August 2025. The remaining nurseries being used by the charity are held on a licence to occupy with the relevant school.

Notes to the Accounts

For the year ended 31 August 2025

14. Analysis of charitable funds

Group

	31 Aug 2024 £'000	Income £'000	Gains/ (losses) and transfers £'000	Expenditure £'000	31 Aug 2025 £'000
Restricted funds					
UK Education	5,271	8,391	938	(9,444)	5,156
EdCity	24,457	37,869	4,323	(38,008)	28,641
Continuing operations	29,728	46,260	5,261	(47,452)	33,797
Discontinued operation (note 22)	-	280	-	(280)	-
Total	29,728	46,540	5,261	(47,732)	33,797
Endowment Funds					
Endowment held for Ark Schools	5,355	-	390	(57)	5,688
	5,355	-	390	(57)	5,688
Unrestricted funds					
Core funds	1,975	2,091	1,333	(2,655)	2,744
General programme funds	587	421	(788)	-	220
EdCity co-working space	-	1,214	-	(1,209)	5
Total	2,562	3,726	545	(3,864)	2,969
Total Group Funds	37,645	50,266	6,196	(51,653)	42,454

Restricted funds

UK Education covers all activities relating to Ark Start and AC+ plus pass through grants to improve education in Ark's schools.

Discontinued operations includes Purposeful Ventures, a spin-out venture from Ark covering the Martingale Foundation and STEM Excellence Portfolio (note 22).

EdCity comprises all activity related to the EdCity project, from construction through to the operation of the estate.

Endowment fund represents monies invested on behalf of individual Ark academies.

Unrestricted funds

Core costs fund covers activity to meet the central, or core, administrative costs of the charity. General programme fund is for funding specific projects as approved by the trustees.

EdCity co-working space fund comprises income and expenditure related to the office workspaces and event space provided by the charity in the EdCity office building.

Notes to the Accounts

For the year ended 31 August 2025

14. Analysis of charitable funds (continued)

Charity

	31 Aug 2024 £'000	Income £'000	Gains/ (losses) and transfers £'000	Expenditure £'000	31 Aug 2025 £'000
Restricted funds					
UK Education	1,054	2,404	938	(3,342)	1,054
Continuing operations	1,054	2,404	938	(3,342)	1,054
Discontinued operations (note 22)	-	280	-	(280)	-
Total	1,054	2,684	938	(3,622)	1,054
Unrestricted funds					
Core costs fund	1,975	2,091	1,333	(2,655)	2,744
General programme funds	587	421	(788)	-	220
EdCity co-working space	-	1,214	-	(1,209)	5
Total	2,562	3,726	545	(3,864)	2,969
Total Charity Funds	3,616	6,410	1,483	(7,486)	4,023

Income is the amount receivable for each fund during the year including grants, programmes and ventures income, co-working space, returns on investments, recharges and foreign exchange.

Transfers are the net value of funds received as unrestricted funds committed in-year to specific programmes. Unrestricted funding transferred to programmes is agreed annually by the board and is used to further the charitable aims of each programme. Unrestricted funds committed to programmes but not used in full are transferred back to the general programme fund unless there is an agreement with the board to hold these funds for future use.

Expenditure is the amount expended or committed as grants to other entities including other group companies.

Notes to the Accounts

For the year ended 31 August 2025

15. Analysis of net assets between funds

Group 2025	Unrestricted General funds £'000	Restricted funds £'000	Endowment funds £'000	2025 Total £'000	2024 Total £'000
Fund balances at 31 August 2025 are represented by:					
Fixed assets	-	69,566	5,688	75,254	74,579
Current assets	3,185	22,855	-	26,040	23,468
Creditors: amounts falling due within one year	(216)	(22,980)	-	(23,196)	(19,983)
Creditors: amounts falling due in more than one year	-	(35,644)	-	(35,644)	(40,419)
Total net assets	2,969	33,797	5,688	42,454	37,645

Charity 2025	Unrestricted General fund £'000	Restricted funds £'000	2025 Total £'000	2024 Total £'000
Fund balances at 31 August 2025 are represented by:				
Investment assets	-	11,785	11,785	18,917
Non-Current assets	-	4,000	4,000	4,500
Current assets	3,185	2,038	5,223	5,206
Creditors: amounts falling due within one year	(216)	(10,625)	(10,841)	(13,981)
Creditors: amounts falling due in more than one year	-	(6,144)	(6,144)	(11,026)
Total net assets	2,969	1,054	4,023	3,616

Notes to the Accounts

For the year ended 31 August 2025

16. Staff costs and numbers

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Salaries and wages	5,611	2,140	5,223	2,046
Social security costs	623	262	556	242
Pension costs	623	237	577	218
Total salary costs	6,857	2,639	6,356	2,506
Other staff costs	88	38	57	13
Total staff costs	6,945	2,677	6,413	2,519

Other staff costs include an accrual for untaken annual leave in the financial year.

Included in salaries and wages were redundancy and ex-gratia severance payments totalling £7k (2023/24 – £nil) in the charity and £7k (2023/24 – £2k) in the group.

The average number of staff employed, analysed by function, was:

	Group 2025 No.	Charity 2025 No.	Group 2024 No.	Charity 2024 No.
Programmes	90	10	79	8
Support services	22	17	23	18
Fundraising	4	4	6	6
	116	31	108	32

Notes to the Accounts

For the year ended 31 August 2025

16. Staff costs and numbers (continued)

The number of staff whose emoluments (excluding employer pension contributions) were in excess of £60,000 during the year were as follows:

	Group 2025 No.	Charity 2025 No.	Group 2024 No.	Charity 2024 No.
£210,001 - £220,000	1	1	1	1
£130,001 - £140,000	1	-	-	-
£110,001 - £120,000	1	-	1	-
£100,001 - £110,000	4	3	2	1
£90,001 - £100,000	-	-	1	-
£80,001 - £90,000	3	2	1	-
£70,001 - £80,000	4	-	9	5
£60,001 - £70,000	6	2	10	4
	20	8	25	11

The pension contributions made on behalf of the above employees were £203k (2023/24 – £210k) in the group and £91k (2023/24 – £92k) in the charity. No benefit other than pension has been provided to employees.

Total remuneration paid to charity key management personnel was £609k (2023/24 – £575k). Key management personnel comprise the CEO, Director of Ark Ventures, Chief Financial Officer, Chief People Officer, Director of Projects, Managing Director of Ark Schools and Director of Strategy. Some members of the key management team are paid by Ark Schools and not directly recharged to the charity.

17. Directors' remuneration and expenses

The charity did not pay any remuneration to its trustees (2023/24 – £nil). No expenses were reimbursed to or paid on behalf of trustees during the year.

Notes to the Accounts

For the year ended 31 August 2025

18. Investments in subsidiaries

<u>Subsidiary Undertaking</u>	<u>Country</u>	<u>Basis of Consolidation</u>	<u>Nature of activities</u>	<u>Status</u>
Ark UK Programmes	United Kingdom	100% ownership	Education	Trading
Ark (South Africa) Limited	South Africa	100% ownership	Health/Education	Dissolved
EdCity Development Limited	United Kingdom	100% ownership	Construction	Trading
EdCity Office	United Kingdom	100% ownership	Real Estate Holding	Trading
EdCity Management Company Limited	United Kingdom	100% ownership	Real Estate Management	Trading

	Ark UK Programmes	EdCity Office	EdCity Development Limited	EdCity Management Company Limited
2025	£'000	£'000	£'000	£'000
Income	7,254	2,204	37,263	871
Expenditure	(7,426)	(2,405)	(37,263)	(850)
Net gains on investments	390	4,323	-	-
Net movement in funds	218	4,122	-	21
Total funds brought forward	9,494	24,551	-	(21)
Total funds carried forward	9,712	28,673	-	-
Fixed assets	6,768	56,700	-	-
Current assets	6,422	7,197	9,617	364
Current liabilities	(3,465)	(1,737)	(9,617)	(362)
Non-current liabilities	(13)	(33,487)	-	-
Share capital	-	-	-	(2)
Total funds	9,712	28,673	-	-

Notes to the Accounts

For the year ended 31 August 2025

19. Related party transactions

Group entities:

Other than the transactions and balances with group entities disclosed elsewhere within the notes to these financial statements, and transactions with entities outside the group noted below, there are no further related party transactions to disclose.

Ark Schools:

Ark Schools is a multi-academy trust that is responsible for the schools that Ark runs in the UK. Ark is the sole member of Ark Schools and therefore considered a related party.

Grants to Ark Schools:

During the year, £1,238k of grants were declared by Ark in support of Ark Schools' programmes (2023/24 - £3,633k). In addition, £16k of grants were declared by Ark in support of Ark Schools' academies (2023/24 - £66k).

The closing grant creditor due to Ark Schools from Ark was £10,149k (2023/24 – £15,656k) of which £7,547k (2023/24 - £8,758k) was due within one year.

Income received from Ark Schools for expenditure incurred by Ark:

	2025	2024
	£'000	£'000
Communications	280	275
Management team	140	-
Total	420	275

The closing debtor due from Ark Schools to Ark including intercompany balances was £66k (2023/24 - £102k).

Expenditure paid to Ark Schools:

	2025	2024
	£'000	£'000
Cost of serviced offices	366	762
IT service costs	99	156
Finance technology services	25	21
HR & Governance	215	200
Other staff costs	79	153
Total	784	1,292

The closing creditor due to Ark Schools from Ark including intercompany balances was £1,228k (2023/24 – £1,775k).

Notes to the Accounts

For the year ended 31 August 2025

19. Related party transactions (continued)

Investments:

Ark holds investments in the MW Eureka Fund, a hedge fund managed by Citco on behalf of Marshall Wace LLP. Anthony Clake, Sir Paul Marshall and Ian Wace are members of Marshall Wace LLP and are also trustees of Ark. Ark Group received £316k fee rebates from MW Eureka Fund for its core operations and EdCity (2023/24 - £124k). This was 100% of the fee charged for managing investments.

The carrying value of investments in the MW Eureka Fund at the balance sheet date of 31 August 2025 was £5.5m (2023/24 – £8.2m). £3.3m shares (2023/24 – £nil) were disposed during the year.

Donations from related parties:

Ark received the following donations from related parties:

Donations received	2025 £'000	2024 £'000
Lord Stanley Fink	-	50
The Barbara and Stanley Fink Foundation	50	-
Marshall Wace Asset Management Limited (matched funding)	6	22
The Eureka Charitable Trust	1,410	250
The Jagclif Charitable Trust	1,305	635
The Sequoia Trust	1,259	19,645

Lord Stanley Fink is a trustee of Ark.

Marshall Wace Asset Management Limited is the parent company of Marshall Wace LLP. Anthony Clake, Sir Paul Marshall and Ian Wace are all members of Marshall Wace LLP and are trustees of Ark.

Marshall Wace is the main funder of the Eureka Charitable Trust.

Ian Wace is a trustee of the Jagclif Charitable Trust and is also a trustee of Ark.

Sir Paul Marshall is a trustee of the Sequoia Trust and is also a trustee of Ark.

In 2023/24, the charity was gifted £6.0m shares (2024/25 - £nil) in the MW Eureka Fund from the Jagclif Charitable Trust. This income was restricted to the EdCity project. The full amount was redeemed, and the resulting cash was passed on to EdCity Office and used to redeem the loan with the London Borough of Hammersmith & Fulham.

Notes to the Accounts

For the year ended 31 August 2025

19. Related party transactions (continued)

Purposeful Ventures:

Lucy Heller is a trustee of Purposeful Ventures and the CEO of Ark.

The following related party transactions with Purposeful Ventures arose in the year:

Income from Purposeful Ventures	2025 £'000	2024 £'000
Payment for back office support by Ark	9	57
Rent of EdCity space	105	-
Total	114	57

£19k (2023/24 - £14k) of the amounts above were held as debtors in the balance sheet at year end.

Grants to Purposeful Ventures	2025 £'000	2024 £'000
Strategic support	-	112
Start-up grants	150	150
Grants received and paid on (note 22: Discontinued operations)	280	130
Total	430	392

£nil (2023/24 - £20k) of the amounts above were held as creditors in the balance sheet at year end.

Bain & Co pro bono strategic support is now being provided directly to Purposeful Ventures.

Now Teach:

Lucy Heller is a director of Now Teach and the CEO of Ark.

Ark recognised £1k (2023/24 – £26k) of income from Now Teach in the year of which £nil (2023/24 - £4k) was held as a debtor on the balance sheet at year end.

Notes to the Accounts

For the year ended 31 August 2025

20. Notes to the consolidated statement of cash flows

Reconciliation of net movement in funds to net cash provided by operating activities:

	Group 2025 £'000	Group 2024 £'000
Net income (expenditure) as per the Statement of Financial Activities	4,809	(6,663)
Adjustments for:		
Depreciation charge	18	-
(Gains) on investments	(1,874)	(2,621)
Dividends, interest, and rents from investments	(2,082)	(357)
Realised gain in the year	1,497	708
Revaluation reserve movement	(4,323)	-
Expenditure on endowments	-	300
(Increase) / Decrease in debtors	(1,490)	18,345
(Decrease) in creditors (excluding endowment and loans)	(155)	(2,450)
Net cash (used in) provided by operating activities	(3,600)	7,262

21. Taxation

Absolute Return for Kids (Ark) is a company limited by guarantee, registered in England and Wales, number 04589451, and is a UK registered charity, number 1095322. Given the nature of its activities, the charity will not be subject to income tax or corporation tax on income derived from its charitable activities, as it would fall within the various exemptions available to registered charities.

Notes to the Accounts

For the year ended 31 August 2025

22. Discontinued operations - Consolidated

2025	Purposeful Ventures £'000	31 August 2025 Total £'000	31 August 2024 Total £'000
Income from:			
Donations and legacies:			
Grants and donations	280	280	130
Total income	<u>280</u>	<u>280</u>	<u>130</u>
Expenditure on:			
Charitable activities:			
Activities undertaken directly	-	-	(1,146)
Donations to new charity	(280)	(280)	(10,266)
Total expenditure	<u>(280)</u>	<u>(280)</u>	<u>(11,412)</u>
Net expenditure for the year	<u>-</u>	<u>-</u>	<u>(11,282)</u>
Restricted fund balance at beginning of year	-	-	11,282
Restricted fund balance at end of year	<u>-</u>	<u>-</u>	<u>-</u>

In 2024/25, two grants totalling £280k were received by Ark on behalf of Purposeful Ventures, which formally discontinued from Ark in November 2023. The grants were subsequently donated onwards.

Notes to the Accounts

For the year ended 31 August 2025

22. Discontinued operations – Consolidated (continued)

	Martingale Foundation	STEM Excellence Portfolio	EPG	31 August 2024 Total
2024	£'000	£'000	£'000	£'000
<i>Income from:</i>				
<i>Donations and legacies:</i>				
<i>Grants and donations</i>	-	-	130	130
<i>Total income</i>	-	-	130	130
<i>Expenditure on:</i>				
<i>Charitable activities</i>				
<i>Activities undertaken directly</i>	(726)	(290)	(130)	(1,146)
<i>Donations to new charity</i>	(5,426)	(4,840)	-	(10,266)
<i>Total expenditure</i>	(6,152)	(5,130)	(130)	(11,412)
<i>Net expenditure for the year ended 31 August 2024</i>	(6,152)	(5,130)	-	(11,282)
<i>Restricted fund balance at 1 September 2023</i>	6,152	5,130	-	11,282
<i>Restricted fund balance at 31 August 2024</i>	-	-	-	-

During 2024, Education Partnerships Group (EPG) discontinued its activities and was included within the Ark accounts for the last time in full during the year ended 31 August 2024. The charity donation income and support to charities expenditure amount is £nil (2023/24 – £130k).

On 1 November 2023, Martingale Foundation and STEM Excellence Portfolio became part of an independent charity – Purposeful Ventures – and were included within Ark's consolidated accounts for the last time in full during the year ended 31 August 2024.

Notes to the Accounts

For the year ended 31 August 2025

23. Comparative consolidated statement of financial activities for the year ended 31 August 2024

		Year ended			
		31-Aug-24			
	Notes	Unrestricted £'000	Restricted £'000	Endowments £'000	Total £'000
<i>Income and endowments from:</i>					
<i>Donations and legacies</i>					
Donations	2	1,965	29,839	-	31,804
Donated services	2	-	442	-	442
Charitable activities		-	2,837	-	2,837
Investment income	3a	244	120	-	364
Other	3b	208	9,002	-	9,210
Continuing operations		<u>2,417</u>	<u>42,240</u>	<u>-</u>	<u>44,657</u>
Discontinued operations	2 & 22	-	130	-	130
Total		<u>2,417</u>	<u>42,370</u>	<u>-</u>	<u>44,787</u>
<i>Expenditure on:</i>					
Raising funds	4	851	-	55	906
Charitable activities					
Support to programmes	4 & 5	2,371	39,077	300	41,748
Grants from endowments		-	-	-	-
Continuing operations		<u>3,222</u>	<u>39,077</u>	<u>355</u>	<u>42,654</u>
Discontinued operations	4 & 22	-	11,412	-	11,412
Total		<u>3,222</u>	<u>50,489</u>	<u>355</u>	<u>54,066</u>
Net (expenditure) income before gains on investment and losses on foreign exchange		(805)	(8,119)	(355)	(9,279)
Net gains on investments	6 & 9	1,971	66	584	2,621
(Losses) on foreign currency transactions		(5)	-	-	(5)
Net income (expenditure)		<u>1,161</u>	<u>(8,053)</u>	<u>229</u>	<u>(6,663)</u>
Fund transfers	14	(528)	528	-	-
Net movement in funds	7	<u>633</u>	<u>(7,525)</u>	<u>229</u>	<u>(6,663)</u>
Total funds brought forward		<u>1,929</u>	<u>37,253</u>	<u>5,126</u>	<u>44,308</u>
Total funds carried forward		<u>2,562</u>	<u>29,728</u>	<u>5,355</u>	<u>37,645</u>

Notes to the Accounts

For the year ended 31 August 2025

24. Post balance sheet events

Post year end, Ark has signed a lease with EdCity Office for the 4th floor of 1EdCity.