



# Ark UK Programmes

Annual Report and Financial Statements

For the year ended 31 August 2024

Company limited by guarantee registration number 05932797 (England and Wales)

Charity registration number 1137932

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## Reference and administrative details

<b>Trustees</b>	Lord Fink Lucy Heller Katie Oliver
<b>Company Secretary</b>	Kathryn Godfrey
<b>Senior Management</b>	Lucy Heller, Chief Executive Katie Oliver, Director of Ark Ventures
<b>Registered Office</b>	1EdCity EdCity Walk London W12 7TF
<b>Company registration number</b>	05932797
<b>Charity registration number</b>	1137932
<b>Auditor</b>	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Lloyds Bank plc 95 George Street Croydon CR9 2NS
<b>Solicitor</b>	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
<b>Investment manager</b>	JP Morgan International Bank 25 Bank Street Canary Wharf London E14 5JP

## Trustees' report including Strategic Report

Year ended 31 August 2024

The trustees, who are also directors of Ark UK Programmes for the purposes of the Companies Act, are pleased to present their report together with the audited financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 29 of the attached financial statements and comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).

### Objectives and principal activities

Ark UK Programmes has the principal objective of advancing the education of the public. It provides a home to mission-aligned organisations, helping them to grow into sustainable entities, often resulting in them becoming independent organisations. In 2023/24, the charity continued to incubate two Ark ventures: Ark Curriculum Plus (AC+), and Ark Start. The contribution made by these ventures to achieve the objectives of Ark UK Programmes is described from page 5.

### Organisation

Ark UK Programmes is a company limited by guarantee (Company No. 05932797) and a registered charity in England and Wales (Charity No. 1137932). The charity is governed by its Memorandum and Articles of Association. It is a fully owned subsidiary of Absolute Return for Kids (ARK) (referred to throughout as 'Ark', charity registration number 1095322, company registration number 04589451), a charity established to improve the life chances of children. One of the directors of Ark UK Programmes, Lord Fink, is also a director of Ark. The Chief Executive of Ark UK Programmes was also the Chief Executive of Ark during the year.

In furtherance of its objects, Ark UK Programmes works closely with Ark Schools, a network of 39 schools. Lord Fink and Lucy Heller are also directors of Ark Schools.

The board of trustees, which can have up to ten members, administers the company. The activities of the charity, as determined by the board of trustees, are carried out under the direction of the Chief Executive.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### Trustees

The trustees are also directors of Ark UK Programmes for the purposes of company law.

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

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Lord Fink	
Lucy Heller	
Katie Oliver	Appointed 12 October 2023
Michael Clark	Resigned 1 November 2023

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All directors served for the full year, except where indicated above.

Lord Fink did not have any beneficial interest in the organisation, nor did he receive any remuneration during the period. Lucy Heller and Katie Oliver received remuneration from Ark for their respective roles as Chief Executive and Director of Ark Ventures (note 8).

New trustees may be appointed either by the board or by means of an ordinary resolution of the charity. On agreeing to become a trustee of the charitable company, the trustees are briefed by their co-directors on the history of the charitable company, day-to-day management, the responsibilities of trustees, current objectives, and future plans. The trustees are also encouraged to attend any courses relevant to their role, and to keep up to date with changes in legislation.

### Key management personnel

The trustees consider the board of trustees, and the senior management team to comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. The Chief Executive and Director of Ark Ventures make up the senior management team and are remunerated by Ark.

Ark UK Programmes' key management salaries are set on appointment and reviewed annually in accordance with the pay review procedures operated by the parent organisation, Ark. Pay and benefits for the Chief Executive are determined by the Chair of the Ark Board in consultation with other Board members and the Advisor to the Board. The Advisor to the Board, who is an employee of Ark and has delegated authority from the Ark Board, will review and approve all pay proposals for direct reports to the Chief Executive. The Director of Ark Ventures has overall oversight of all other Ark UK Programmes salaries.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### Risk management

Ark UK Programmes' management and trustees have reviewed and assessed the major risks to which the charity is exposed, and systems have been established to identify and manage those risks. Business plans for new ventures address the risks and mitigations and steering groups or shadow boards have been set up for the individual ventures. In addition, the Ark Finance and Risk Committee (FRC) formally reviews the Risk Register.

The key risks identified to date and mitigations are as follows:

- Managing additional competitive pressures, particularly for AC+. To mitigate the risk of this, a full strategy review has taken place.
- Over-reliance on individual funders. To mitigate this risk, programme commitments are limited to available funds and pledges. The pipeline of potential funders is in continuous development.
- Ark Start fails to deliver impact within its current funding parameters. To mitigate this risk, communication with funders and stakeholders is continuing. This is combined with an increased focus on impact measurement and evaluation.
- Given the age and vulnerability of the children accessing Ark Start nurseries, there is a heightened risk of a health and safety issue occurring on site. This risk is mitigated through the regular on-site monitoring of compliance and routines as well as risk assessments by the senior management team.
- Safeguarding incident involving Ark Start. Safeguarding policies and procedures are in place, including a full programme of training for nursery staff.
- 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.
- Loss of key staff. Teams have been strengthened through the development of recruitment and retention strategies, including succession plans and the introduction of a flexible working policy.
- Financial instrument risks. Ark invests liquid funds in a portfolio that includes hedge fund investments. The charity engages professionals to manage the investment portfolios and ensures that they are suitably diversified and consistent with the trustees' investment strategy.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### **Achievements, performance, and future plans**

Over the years, Ark's ventures have been wide-ranging: from subject curricula and the creation of a new model for early years education, to STEM-focused campaigns and solutions that address challenges in other sectors like health and social care. Both our school-inspired ventures and our broader projects have been integral to our mission, but as we continue to grow, we want to ensure that we do not lose focus by taking on too many projects.

Our approach has always been to incubate great ideas and then allow individual organisations to flourish independently. In 2023, we decided that our incubation activity had reached a point where it had sufficient scale to support the team to thrive as an independent charity. The operations within Ark were discontinued and a new organisation – Purposeful Ventures – was set-up as an independent charity in November 2023. Led by Michael Clark, the former Deputy CEO of Ark, Purposeful Ventures focuses on creating a fairer society, where all young people thrive. The new organisation works closely with Ark and other partners to help tackle a wider range of challenges facing families, children and young people – from incubating a national network of baby banks to supporting postgraduate careers in STEM. Lucy Heller, Ark's Chief Executive, is a Trustee of Purposeful Ventures.

Ark will continue to innovate, taking the lessons we learn from our frontline experience in schools, and sharing these with the wider system. Most immediately for Ark UK Programmes, this will be with the continuing development of Ark Curriculum Plus and Ark Start. Below is a summary of activity for all the ventures supported by Ark UK Programmes through the year.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### **Achievements, performance, and future plans** (continued)

#### **Ark Start**

Ark Start is our growing nursery network providing high quality, affordable early education, with a focus on working with parents to improve the home learning environment for pre-school children.

Ark Start's flexible, teacher-led model aims to create an exemplar group of nurseries that will accelerate outcomes for the most disadvantaged children and transform the funding of early years so that the pupils who need the most support attract the most funding.

#### *Achievements and performance:*

- Ark Start's first two nurseries, which opened in October 2020 (Ark Start John Archer in Clapham Junction) and March 2021 (Ark Start Oval in East Croydon), are now fully established, offering funded and fee-paying childcare from 9 months.
- Ark Start has opened three more nurseries between September and November 2024 (Ark Start St Clement in Holland Park, Ark Start Globe in Elephant & Castle and Ark Start Brunel in North Kensington).
- Ark Start has developed a growing coalition of partners advocating for increased funding in disadvantaged areas. We are particularly pleased that the Secretary of State for Education made her first ministerial visit to Ark Start Oval.
- Ark Start has rolled out the new funding entitlements, with 93 percent of children accessing funded places in the Summer Term of 2023/24, with no requirements for additional fees.
- Our educational evaluation this year shows that 88 percent of children who attended Ark Start achieved a 'Good Level of Development' (GLD) in primary school.

#### *Future plans:*

In 2024/25, Ark Start plans to:

- Open five new nurseries, with an aim to open a total of twelve nurseries by 2027.
- Build strategic partnerships to support the longer-term expansion of Ark Start.
- Work with a coalition of partners to continue to influence early years policy within the Department for Education (DfE) and across the key political parties.



## Trustees' report including Strategic Report

Year ended 31 August 2024

### **Achievements, performance, and future plans** (continued)

#### ***Ark Curriculum Plus***

Ark Curriculum Plus (AC+) was formed in 2019 following the merger of Mathematics Mastery, established in 2012, and English Mastery, established in 2014. It has since launched new programmes in Science, History and Geography.

AC+ partners with schools to achieve subject excellence, empowering teachers to ensure that every child has the subject knowledge to succeed. Schools follow a five-step improvement process, with support from a subject expert at each stage. Teachers are given all the ingredients they need to ensure every child can access an ambitious curriculum, including comprehensive research-based curriculum and assessment resources, and integrated Continuing Professional Development (CPD).

#### *Achievements and performance:*

AC+ continues to focus on higher intensity programmes that we know are needed to enable more significant transformation in schools. This year, we:

- Had the greatest impact in schools, helping a high proportion of inexperienced or non-specialist teachers, reach proficiency as quickly as possible.
- Continued to grow our reach, with around 300,000 children in more than 700 schools learning with an AC+ programme.
- Launched a full Science Mastery 11-16 programme, building on the existing KS3 programme.
- Introduced higher intensity support for Geography Mastery KS3, in response to feedback in 2022/23.
- Continued the scale up of the Maths Mastery Primary programme, with support from the Education Endowment Foundation (EEF) managed DfE accelerator fund. 135 primary schools have since started teaching Maths Mastery with an 80 percent subsidy from the government.
- Started a two-year EEF evaluation of KS2 maths.

#### *Future plans:*

AC+'s priorities for 2024/25 are to:

- Continue to create, maintain, and deliver programmes that have a high impact on pupil progress and attainment, evidenced by impact studies and data.
- Launch our KS2 English primary programme, in pilot since 2021, so that it is available to schools nationally.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### **Achievements, performance, and future plans** (continued)

#### **Ark Curriculum Plus** (continued)

##### *Future plans (continued):*

- Relaunch our maths KS3 programme, bringing it up to date with the best current understanding of how to support all teachers to teach the most effective maths lessons.
- Manage a smooth transition to a new digital interface for schools inside and outside of Ark – laying the foundation for high impact digital innovation to improve teachers support.
- Amplify the voices of subject leaders in AC+ and across Ark in order to share more high impact insights on how to improve subject teaching with the wider sector.
- Further professionalise product development processes within AC+ and provide even more rigorous evidence for decision making and to maximise impact.

#### **Legacy ventures**

In October 2023, two of Ark UK Programmes' legacy ventures transferred their operations:

- The **Martingale Postgraduate Foundation** joined the new ventures spin out, Purposeful Ventures;
- The **Science Technology Engineering and Maths (STEM) Excellence Portfolio** also joined Purposeful Ventures.

These entities are therefore reported within discontinued operations (see note 21).

## Trustees' report including Strategic Report

Year ended 31 August 2024

### Financial review

Total Ark UK Programmes income during the year was £6.2m (2022/23 – £18.4m), which is made up of programme income (grants and donations, programme fees, and other income from activities less endowment income). The split of programme income between the ventures was as follows:

- 58% (2022/23 – 19%) to AC+
- 42% (2022/23 – 13%) to Ark Start
- Nil% (2022/23 – 36%) to Martingale Foundation
- Nil% (2022/23 – 32%) to STEM Excellence Portfolio

The principal funding sources for the year have been grants to ventures and school payments to AC+. All expenditure has supported the charity's key objectives, as described in the review of performance above.

The net movement in funds for the year was a loss of £10.9m (2022/23 – surplus £10.6m), primarily due to £10.3m of restricted grants received in 2022/23 for Martingale and STEM Excellence Portfolio that were donated to Purposeful Ventures in 2023/24 to allow that work to continue.

Included in the result was a gain of £0.6m (2022/23 – gain of £0.1m) on the endowments held as investments for Ark Schools.

The charity had net assets at 31 August 2024 of £9.5m (2022/23 – £20.4m), comprising £5.4m (2022/23 – £5.1m) of endowment funds, £4.1m (2022/23 – £15.2m) of restricted funds, and £42k (2022/23 – £45k) of unrestricted funds (the free reserves of the charity). Given the programme-related nature of the charity's activities, which are mainly funded via restricted funds, the trustees consider the level of free reserves to be satisfactory.

The significant level of funding in 2022/23 was driven by securing forward funding on behalf of the STEM Excellence Portfolio and Martingale Foundation prior to their spin-off.

### Reserves Policy

New Ark ventures are incubated only when external funding has been secured, or a funding commitment has been made by Ark. For this reason, the charity's unrestricted reserve levels are expected to remain below £100k, with the majority of funds being restricted to the individual ventures. The unrestricted funds balance at 31 August 2024 was £42k, sufficient to fund more than 12-months' unrestricted expenditure. Within each of the restricted fund balances, the charity will aim to hold sufficient funds to cover three to six months of core programme operating costs.

Ark UK Programmes has taken all necessary steps to reduce both the operational and financial impact of the post pandemic environment and other cost pressures due to the wider economic challenges.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### **Reserves Policy (continued)**

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

### **Investment Policy**

As at 31 August 2024, Ark UK Programmes had a portfolio of investments with a market value of £5.5m (2022/23 – £5.2m).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and considers income requirements, the risk profile, and the investment manager's view of the market prospects in the medium term. The overall investment policy is to maximise total return through a diversified portfolio, aiming to provide the level of income advised by the trustees and, at the same time, with a view to ensuring that capital appreciation of the fund exceeds inflation over any five-year period.

Financial derivative products are used to ameliorate the risk associated with holding investments in foreign currencies. A trustee and management meet with the investment managers at least annually to review the performance of the portfolio and the investment strategy. The trustees are satisfied that their investment policy is being achieved.

### **Public Benefit**

Ark UK Programmes exists to advance the education of the public. The 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 how the public, specifically children, benefit from its work.

### **Approach to fundraising**

Ark fundraises from a defined list of individuals, companies, and charitable trusts and foundations. This list is carefully considered, and approaches are only made to those we already have a connection to, or where we think there would be an interest in Ark's work. Ark's network of schools conducts their own fundraising and may use fundraising platforms to promote specific school campaigns, including Just Giving.

Ark's fundraising is led by a small team of professional fundraisers and support staff employed by Ark. We do not outsource fundraising activities. Our activity is based on individual relationships with donors. Donor data is handled with care – all information is held on a secure database and files managed by Ark.

Ark is a paid member of the Fundraising Regulator, and we comply with the advice and guidance set by the body. We have not received any fundraising complaints.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### Statement of trustees' responsibilities

The trustees (who are also directors of Ark UK Programmes 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 charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 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 auditor is unaware; and
- the trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## Trustees' report including Strategic Report

Year ended 31 August 2024

### Statement of trustees' responsibilities (continued)

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

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Lucy Heller', with a stylized, cursive script.

Lucy Heller

Trustee

Date: 29 April 2025

# Independent auditor's report to the member of Ark UK Programmes

Year ended 31 August 2024

## Opinion

We have audited the financial statements of Ark UK Programmes (the 'charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, and 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 charitable company's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the 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 charitable company 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.

# Independent auditor's report to the member of Ark UK Programmes

Year ended 31 August 2024

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

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

We have nothing to report in this regard.

## 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



# Independent auditor's report to the member of Ark UK Programmes

Year ended 31 August 2024

## Opinions on other matters prescribed by the Companies Act 2006 (continued)

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

## Responsibilities of trustees

As explained more fully in the 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 charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.

# Independent auditor's report to the member of Ark UK Programmes

Year ended 31 August 2024

## **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 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 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 and employment legislation;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

## Independent auditor's report to the member of Ark UK Programmes

Year ended 31 August 2024

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

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.

# Independent auditor's report to the member of Ark UK Programmes

Year ended 31 August 2024

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

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

## **Use of our report**

This report is made solely to the charitable company's member, 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 member 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 member 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

02 May 2025

## Statement of financial activities - Year ended 31 August 2024

		Un- restricted £'000	Restricted £'000	Endowments £'000	Year ended 31 August 2024 Total £'000	Year ended 31 August 2023 Total £'000
	Notes					
<b>Income from:</b>						
Donations and legacies:						
Grants and donations	2a	-	3,291	-	3,291	2,991
Charitable activities						
Programme fees	2b	-	2,793	-	2,793	2,777
Other income	2b	-	45	-	45	127
Investments	3	-	111	-	111	99
Continuing operations		-	6,240	-	6,240	5,994
Discontinued operations	21	-	-	-	-	12,393
<b>Total income</b>	6	-	6,240	-	6,240	18,387
<b>Expenditure on:</b>						
Raising funds						
Investment management fees		-	-	54	54	56
Interest on finance lease		-	-	1	1	1
Charitable activities						
Support to programmes	4,5	3	6,082	-	6,085	5,215
Grants from endowments	4	-	-	300	300	950
Continuing operations		3	6,082	355	6,440	6,222
Discontinued operations	21	-	11,282	-	11,282	1,607
<b>Total expenditure</b>	6	3	17,364	355	17,722	7,829
Net (expenditure) income before gains on investments		(3)	(11,124)	(355)	(11,482)	10,558
Gains on investments	9, 10	-	-	584	584	78
Net (expenditure) income and net movement in funds		(3)	(11,124)	229	(10,898)	10,636
<b>Reconciliation of funds</b>						
<b>Funds brought forward at 1 September 2023</b>		45	15,221	5,126	20,392	9,756
<b>Funds carried forward at 31 August 2024</b>	6	42	4,097	5,355	9,494	20,392

There were no recognised gains and losses in the period other than those stated above.

## Statement of financial activities - Year ended 31 August 2024

### *Income and expenditure account:*

	Continuing operations 2024 £'000	Discontinued operations 2024 £'000	Year ended 2024 £'000	Continuing operations 2023 £'000	Discontinued operations* 2023 £'000	Year ended 2023 £'000
Total income	6,240	-	<b>6,240</b>	5,994	12,393	18,387
Total expenditure	(6,085)	(11,282)	<b>(17,367)</b>	(5,215)	(1,607)	(6,822)
<b>Net (expenditure) income for the year</b>	<b>155</b>	<b>(11,282)</b>	<b>(11,127)</b>	779	10,786	11,565

The income and expenditure account above excludes the movement on the endowments fund. 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 the previous page which, together with the notes to the financial statements on pages 24 to 45, provides full information on the movements during the year on all the funds of the charity.

Total income of £6,240k (2022/23 – £18,387k) comprises £nil (2022/23 – £7k) in relation to unrestricted funds and £6,240k (2022/23 – £18,380k) in relation to restricted funds of which £nil (2022/23 - £12,393k) relates to discontinued operations. 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 £11,127k (2022/23 – £11,565k net income) comprises net expenditure of £3k (2022/23 – £7k net income) in relation to unrestricted funds and net expenditure of £11,124k (2022/23 – £11,558k net income) in relation to restricted funds.

£11,282k of net expenditure (2022/23 - £10,786k net income) relates to discontinued operations, as shown in the statement of financial activities and includes the one-off transfer in 2023/24 of funds to Purposeful Ventures for Martingale Foundation and STEM Excellence Portfolio, all of which was received in income in 2022/23. MESME was included as a discontinued operation in 2022/23.

## Balance sheet

31 August 2024

	Notes	2024 £'000	2023 £'000
<b>Fixed assets</b>			
Investment property	9	642	642
Investment assets	10	5,527	5,193
		<b>6,169</b>	5,835
<b>Current assets</b>			
Debtors	11	4,118	14,402
Cash at bank and in hand		1,961	3,118
		<b>6,079</b>	17,520
<b>Creditors: amounts due within one year</b>	12	<b>(2,735)</b>	(2,946)
<b>Net current assets</b>		<b>3,344</b>	14,574
<b>Total assets less current liabilities</b>		<b>9,513</b>	20,409
<b>Creditors: amounts due after more than one year</b>	13	<b>(19)</b>	(17)
<b>Net assets</b>		<b>9,494</b>	20,392
<b>The funds of the charity</b>			
Unrestricted general funds		42	45
Restricted funds		4,097	15,221
Endowment funds		5,355	5,126
<b>Total funds</b>	6	<b>9,494</b>	20,392

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



Lucy Heller

Trustee

Date: 29 April 2025

Company registration no: 05932797

## Statement of cash flows

Year to 31 August 2024

	Notes	2024 £'000	2023 £'000
<b>Cash flows from operating activities:</b>			
Net cash (used in) provided by operating activities	A	(1,238)	2,324
<b>Cash (used in) provided by operating activities</b>		<b>(1,238)</b>	<b>2,324</b>
<b>Cash flows from investing activities:</b>			
Investment income		112	99
Proceeds from the disposal of investments		1,909	2,571
Transfer of endowment funds		(300)	(950)
Purchase of investments		(1,615)	(1,700)
<b>Net cash provided by investing activities</b>		<b>106</b>	<b>20</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(1,132)</b>	<b>2,344</b>
<b>Cash and cash equivalents at 1 September</b>	B	<b>3,124</b>	<b>740</b>
<b>Change in cash and cash equivalents due to exchange rate movements</b>		<b>-</b>	<b>40</b>
<b>Cash and cash equivalents at 31 August</b>	B, C	<b>1,992</b>	<b>3,124</b>

## Notes to the statement of cash flows for the year to 31 August 2024

**A Reconciliation of net movement in funds to net cash (used in) provided by operating activities**

	2024 £'000	2023 £'000
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(10,898)</b>	<b>10,636</b>
<b>Adjustments for:</b>		
(Gains) losses on investments	(584)	(78)
Fair value movement on investment property	-	(15)
Expenditure from endowments	300	950
Investment income	(112)	(99)
Decrease (increase) in debtors	10,284	(10,565)
(Decrease) increase in creditors (excluding endowment creditors)	(228)	1,495
<b>Net cash (used in) provided by operating activities</b>	<b>(1,238)</b>	<b>2,324</b>



## Statement of cash flows

Year to 31 August 2024

## Notes to the statement of cash flows for the year to 31 August 2024 (continued)

## B Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand	1,961	3,118
Cash held by investment managers	31	6
<b>Total cash and cash equivalents</b>	<b>1,992</b>	<b>3,124</b>

Cash held by investment managers relates to the endowments invested with JP Morgan. It is not available for use by Ark UK Programmes to further charitable activities.

## C Analysis of changes in net debt

	At 1 September 2023 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 August 2024 £'000
Cash at bank and in hand	3,118	(1,157)	-	1,961
Cash held by investment managers	6	25	-	31
	3,124	(1,132)		1,992
Finance lease obligations	(17)	(2)	-	(19)
<b>Total</b>	<b>3,107</b>	<b>(1,134)</b>	<b>-</b>	<b>1,973</b>

## Notes to the financial statements

Year to 31 August 2024

### 1 Accounting policies

#### ***Basis of preparation***

These financial statements have been prepared for the year to 31 August 2024.

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 (FRS102) (Charities SORP FRS102), 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.

#### ***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;
- Classification of leases as finance or operating;
- Determining the discount rate for future cash flows; and
- Measurement of fair values of the investment property.

#### ***Assessment of going concern***

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

## Notes to the financial statements

Year to 31 August 2024

### 1 Accounting policies (continued)

#### ***Assessment of going concern (continued)***

The trustees have considered the impact of cost pressures due to the wider economic challenges. The trustees have looked at the financial position, including income, expenditure, and reserves, and have acknowledged that some areas of work continue to be challenging, for example AC+ activity in UK schools. The trustees do not consider the post-pandemic environment or other cost pressures due to wider economic challenges to be a cause for material uncertainty in respect of the ability of the charity to continue as a going concern.

A number of areas of judgement that affect items in the accounts have been identified 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 2025) are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information). The trustees remain of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In the unlikely event that the charity was unable to meet its liabilities, the parent charity, Ark, would provide the necessary financial support in the form of a grant or loan.

The trustees have therefore concluded that 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.

#### ***Fund accounting***

Restricted funds are those which are to be used for a specified purpose as stipulated by the donor and agreed by the charity.

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 objects of the charity in general and may be applied to specific projects at the discretion of the trustees to further the charity's purposes.

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.

All income and expenditure is shown in the Statement of Financial Activities.

## Notes to the financial statements

Year to 31 August 2024

### 1 Accounting policies (continued)

#### *Income*

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received. Where a service is provided over a period that spans more than one accounting period, a judgement is made as to the amount of income that should be accrued or deferred.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided. An equivalent amount is included as expenditure.

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.

#### *Expenditure*

Liabilities, including those relating to staff costs and redundancies, are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

Ark UK Programmes is registered for VAT and reclaims VAT in its business-related expenditure. Irrecoverable VAT is included in expenditure when incurred.

Costs of raising funds are those incurred in seeking donations for the charity and in publicising the work of the charity.

Expenditure on charitable activities comprises 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 unspent amount is held in the balance sheet as a grant creditor.

#### *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 costs, finance, payroll, and Governance costs which 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.

## Notes to the financial statements

Year to 31 August 2024

### 1 Accounting policies (continued)

#### *Allocation of overhead and support costs (continued)*

Where costs cannot be directly attributed, they have been allocated to activities. The basis for the allocation of support costs to charitable activities is set out in note 5 to the financial statements.

#### *Volunteers and donated services*

With the exception of trustees, patrons and a small number of advisors who all provide their services on a voluntary basis, the charity does not rely upon volunteers or donated services in delivering services. The financial value of services donated by advisors is included as expenditure at an estimated fair value and a corresponding value of income is included as an in-kind donation.

#### *Discontinued activities*

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.

#### *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.

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 process 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 requires inputs that are both significant to the fair value measurement and unobservable.

## Notes to the financial statements

Year to 31 August 2024

### 1 Accounting policies (continued)

#### *Investments (continued)*

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.

#### *Investment Property*

Investment property is held by Ark UK Programmes to earn rentals and for capital appreciation, rather than for use in the ordinary course of business. Investment properties are measured at cost and subsequently at fair value at the reporting date. Professional advice is sought as appropriate to determine the valuation of investment property. Changes in fair values are recognised in the statement of financial activities.

Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised. The cost of maintenance, repairs, and minor improvements is recognised in the statement of financial activities when incurred.

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

#### *Foreign currencies*

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.

#### *Operating lease*

Operating lease rentals are charged on a straight-line basis over the term of the lease. These are included in the Charitable Activities expenditure in the Statement of Financial Activities.

## Notes to the financial statements

Year to 31 August 2024

### 1 Accounting policies (continued)

#### ***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 UK Programmes 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, including updating the effective interest rate to reflect the charity's incremental cost of capital. This rate was 4.54% (2022/23 – 4.60%).

#### ***Debtors***

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.

#### ***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 when such discounting is material.

## Notes to the financial statements

Year to 31 August 2024

**2 a. Grants and Donations**

During the year, the organisation received the following grants and donations:

	Unrestricted £'000	Restricted £'000	Endowments £'000	<b>Total 2024 £'000</b>
<b>2024</b>				
Ark Curriculum+	-	939	-	<b>939</b>
Ark Start	-	2,352	-	<b>2,352</b>
<b>2024 total</b>	<b>-</b>	<b>3,291</b>	<b>-</b>	<b>3,291</b>

	Unrestricted £'000	Restricted £'000	Endowments £'000	<i>Total 2023 £'000</i>
<i>2023</i>				
Ark Curriculum+	-	793	-	793
Ark Start	-	2,198	-	2,198
Continuing activity		2,991		2,991
Martingale Foundation	-	6,605	-	6,605
STEM Excellence Portfolio	-	5,788	-	5,788
Discontinued activity	-	12,393	-	12,393
<b>2023 total</b>	<b>-</b>	<b>15,384</b>	<b>-</b>	<b>15,384</b>



## Notes to the financial statements

Year to 31 August 2024

## 2 b. Income from charitable activities

	Unrestricted £'000	Restricted £'000	Endowments £'000	Total 2024 £'000
<b>2024</b>				
<b>Programme fees</b>				
Ark Curriculum+	-	2,580	-	<b>2,580</b>
Ark Start	-	213	-	<b>213</b>
	-	2,793	-	<b>2,793</b>
<b>Other income</b>				
Ark Curriculum+	-	44	-	<b>44</b>
Ark Start	-	1	-	<b>1</b>
	-	45	-	<b>45</b>
<b>2024 total</b>	-	<b>2,838</b>	-	<b>2,838</b>

	Unrestricted £'000	Restricted £'000	Endowments £'000	Total 2023 £'000
<b>2023</b>				
<b>Programme fees</b>				
Ark Curriculum+	-	2,606	-	<b>2,606</b>
Ark Start	-	171	-	<b>171</b>
	-	2,777	-	<b>2,777</b>
<b>Other income</b>				
Ark Curriculum+	-	120	-	<b>120</b>
Other	7	-	-	<b>7</b>
	7	120	-	<b>127</b>
<b>2023 total</b>	7	<b>2,897</b>	-	<b>2,904</b>

## Notes to the financial statements

Year to 31 August 2024

## 3 Investment income

	Unrestricted £'000	Restricted £'000	Total 2024 £'000
<b>2024</b>			
Income and interest from listed investments	-	87	<b>87</b>
Income from investment property	-	24	<b>24</b>
<b>2024 total</b>	<b>-</b>	<b>111</b>	<b>111</b>
	Unrestricted £'000	Restricted £'000	Total 2023 £'000
<b>2023</b>			
Income and interest from listed investments	-	80	80
Income from investment property	-	19	19
<b>2023 total</b>	<b>-</b>	<b>99</b>	<b>99</b>

In 2009/10, Ark UK Programmes was given responsibility for the administration of the endowments held on behalf of individual Ark academies. These funds are invested with JP Morgan and the relationship is set out in a Deed of Gift between Ark UK Programmes, Ark, and the Secretary of State for Education. King Solomon Academy contributed an additional £750k into its endowment, which is outside of the Deed of Gift. In January 2015, Ark UK Programmes was appointed as the trustee of an endowment held under a Trust Deed for Ark All Saints Academy (formerly St Michael and All Angels Church of England Academy). The value of the endowment transferred into Ark UK Programmes was £607k.

## Notes to the financial statements

Year to 31 August 2024

## 4 Analysis of charitable expenditure

<b>2024</b>	Activities undertaken directly £'000	Grant funding of activities £'000	Support costs (see note 5) £'000	<b>Total 2024 £'000</b>
<b>Charitable expenditure</b>				
Ark Curriculum+	3,799	19	180	3,998
Ark Start	1,604	369	87	2,060
Endowment programme (Note 6)	15	300	9	324
Unrestricted	-	-	3	3
<b>Continuing operations</b>	<b>5,418</b>	<b>688</b>	<b>279</b>	<b>6,385</b>
Martingale Foundation	714	5,426	12	6,152
Venture builder	290	4,840	-	5,130
<b>Discontinued operations</b>	<b>744</b>	<b>10,526</b>	<b>12</b>	<b>11,282</b>
<b>2024 total</b>	<b>6,162</b>	<b>11,214</b>	<b>291</b>	<b>17,667</b>

<b>2023</b>	Activities undertaken directly £'000	Grant funding of activities £'000	Support costs (see note 5) £'000	<b>Total 2023 £'000</b>
<i>Charitable expenditure</i>				
Ark Curriculum+	3,671	-	255	3,926
Ark Start	1,181	-	84	1,265
Endowment programme (Note 6)	16	950	8	974
<i>Continuing operations</i>	<b>4,868</b>	<b>950</b>	<b>347</b>	<b>6,165</b>
Martingale Foundation	406		47	453
STEM Excellence Portfolio	655		3	658
<i>Discontinued operations</i>	<b>1,061</b>	<b>-</b>	<b>50</b>	<b>1,111</b>
<b>2023 total</b>	<b>5,929</b>	<b>950</b>	<b>397</b>	<b>7,276</b>

## Notes to the financial statements

Year to 31 August 2024

## 5 Allocation of support costs

	Finance £'000	HR £'000	Governance £'000	Other overheads and support staff £'000	Total 2024 £'000
<b>2024</b>					
Charitable expenditure					
Ark Curriculum+	-	1	3	176	<b>180</b>
Ark Start	22	8	1	56	<b>87</b>
Unrestricted	-	-	5	-	<b>5</b>
Endowment programme	5	-	1	1	<b>7</b>
<b>2024 total</b>	<b>27</b>	<b>9</b>	<b>10</b>	<b>233</b>	<b>279</b>

Finance, Governance and HR costs are allocated on the basis of time spent on each programme. Other overheads consist of the desk charge, which is allocated on the basis of the number of desks reserved for each programme, IT costs, and any remaining core costs. The allocation of support costs to activities in note 4 provides a more accurate picture of the full costs of these activities. It does not represent use of programme funds. Due to a change in allocation methods, more costs are directly allocated to venture support costs.

	Finance £'000	HR £'000	Governance £'000	Other overheads and support staff £'000	Total 2023 £'000
<b>2023</b>					
Charitable expenditure					
Ark Curriculum+	53	15	8	179	255
Ark Start	40	8	-	36	84
Endowment programme	5	-	2	1	8
Continuing operations	98	23	10	216	347
Martingale Foundation	20	7	4	16	47
STEM Excellence Portfolio	-	-	3	-	3
Discontinued operations	20	7	7	16	50
<b>2023 total</b>	<b>118</b>	<b>30</b>	<b>17</b>	<b>232</b>	<b>397</b>

## Notes to the financial statements

Year to 31 August 2024

## 6 Analysis of net movement in funds

	At 1 September 2023 £'000	Income £'000	Expenditure £'000	Gains and transfers £'000	At 31 August 2024 £'000
<b>2024</b>					
<b>Restricted funds</b>					
Ark Curriculum+	1,698	3,563	(3,998)	-	<b>1,263</b>
Ark Start	1,660	2,566	(2,060)	-	<b>2,166</b>
Ark Schools endowment interest	581	111	(24)	-	<b>668</b>
<b>Continuing operations</b>	<b>3,939</b>	<b>6,240</b>	<b>(6,082)</b>	<b>-</b>	<b>4,097</b>
Martingale Foundation	6,152	-	(6,152)	-	-
STEM Excellence Portfolio	5,130	-	(5,130)	-	-
<b>Discontinued operations</b>	<b>11,282</b>	<b>-</b>	<b>(11,282)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>15,221</b>	<b>6,240</b>	<b>(17,364)</b>	<b>-</b>	<b>4,097</b>
<b>Endowment funds</b>	<b>5,126</b>	<b>-</b>	<b>(355)</b>	<b>584</b>	<b>5,355</b>
<b>Unrestricted funds</b>					
General	45	-	(3)	-	<b>42</b>
<b>Total funds</b>	<b>20,392</b>	<b>6,240</b>	<b>(17,722)</b>	<b>584</b>	<b>9,494</b>

The restricted funds of Ark Curriculum + have arisen from grants given specifically for use by Ark Curriculum + plus fees from schools signed up to the programmes and via the DCMS.

The Ark Start restricted funds have arisen from the receipt of grant income for use specifically on the respective programmes.

In 2022/23, Martingale launched as a new post-graduate scholarship programme, whose mission is to find, fund, and support a new generation of STEM postgraduates for whom family income would otherwise be a barrier to the pursuit of academic excellence. The first cohort of Martingale Scholars took up places in September 2023. Following independence on 1 November 2023, residual funds were transferred to the new charity: Purposeful Ventures.

STEM Excellence Portfolio Restricted Funds related to funds received for the express purposes of meeting the goals of the Maths Excellence Fund and delivering the 65<sup>th</sup> International Mathematics Olympiad. Following independence on 1 November 2023, residual funds were transferred to the new charity: Purposeful Ventures.

## Notes to the financial statements

Year to 31 August 2024

### 6 Analysis of net movement in funds (continued)

The Ark Schools Endowment interest in restricted funds has arisen from dividends and interest paid out on the endowment investments held by Ark UK Programmes on behalf of individual Ark academies. The income is restricted for use by the Ark academy from whose endowment the income arose. 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 to be spent on 'equipment, facilities, accommodation, landscaping, or signage' at the relevant academy. The exception to this is the Ark All Saints Academy endowment for which Ark UK Programmes was appointed the trustee in January 2015. The principal sum of this endowment can only be spent with the permission of the Secretary of State.

At 31 August 2024, the balance of expendable endowments was £4,387k (2022/23 – £4,263k) and the balance of permanent endowments was £968k (2022/23 – £863k).

In the year, £55k expenditure was made from endowments (2022/23 – £57k); £54k for investment manager fees (2022/23 – £56k) and £1k interest on the finance lease (2022/23 – £1k, note 14). An amount of £300k was also withdrawn and transferred to Ark Schools for capital expenditure projects (2022/23 – £950k).

	At 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains and transfers £'000	At 31 August 2023 £'000
<b>2023</b>					
<i>Restricted funds</i>					
Ark Curriculum+	2,105	3,519	(3,926)	-	1,698
Ark Start	556	2,369	(1,265)	-	1,660
Ark Schools endowment interest	506	99	(24)	-	581
<i>Continuing operations</i>	3,167	5,987	(5,215)	-	3,939
MESME	496	-	(496)	-	-
Martingale Foundation	-	6,605	(453)	-	6,152
STEM Excellence Portfolio	-	5,788	(658)	-	5,130
<i>Discontinued operations</i>	496	12,393	(1,607)	-	11,282
<b>2023 total</b>	3,663	18,380	(6,822)	-	15,221
<i>Endowment funds</i>	6,055	-	(1,007)	78	5,126
<i>Unrestricted funds</i>					
General	38	7	-	-	45
<b>Total funds</b>	9,756	18,387	(7,829)	78	20,392

## Notes to the financial statements

Year to 31 August 2024

### 6 Analysis of net movement in funds (continued)

MESME restricted funds have arisen from the receipt of grant income to support students to achieve mathematical excellence under the Maths Circles programme following on from the success of the model established in Russia and the US. Following independence, which took place on 1 September 2022, all funds were transferred to the new charity.

### 7 Net movement in funds

Net movement in funds is stated after charging:

	2024 £'000	2023 £'000
Statutory audit fees	10	11

### 8 Staff costs and numbers

	2024 £'000	2023 £'000
Salaries and wages	3,178	3,319
Social security costs	359	371
Pension costs	314	340
	<b>3,851</b>	<b>4,030</b>

There was one redundancy and ex-gratia severance payment made in the year for £1,691 (2022/23 – nil).

The average number of staff employed during the period was:

	Headcount	
	2024	2023
Charitable activities	71	71
Support to activities	5	5
	<b>76</b>	<b>76</b>

## Notes to the financial statements

Year to 31 August 2024

### 8 Staff costs and numbers (continued)

The number of employees during the period who earned over £60,000 in the year (including benefits) was as follows:

	2024 No.	2023 No.
£60,001 - £70,000	6	6
£70,001 - £80,000	4	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	2
£110,001 - £120,000	1	2
	<b>13</b>	<b>12</b>

The pension contributions made on behalf of the above employees was £105,540 (2022/23 – £108,392).

Key management personnel of Ark UK Programmes comprise the trustees and the directors as listed on page 1. The total amount of employee benefits (including pension and social security contributions) received by key management personnel was £115,588 (2022/23 – £117,310). Current key management personnel comprise the Chief Executive and Director of Ark Ventures. They are both paid by the parent charity, Ark, by virtue of them being employees of the parent charity.

### 9 Investment property

	Land and buildings £'000	Total £'000
<b>Cost or valuation:</b>		
At 1 September 2023	642	<b>642</b>
Decrease in fair value	-	-
At 31 August 2024	<b>642</b>	<b>642</b>
Carrying amount at 31 August 2024	<b>642</b>	<b>642</b>

The long leasehold investment property is held at fair value. Completion of the property was on 20 May 2016. The trustees have performed the valuation of the property at 31 August 2024 based on publicly available information.

Included in the amount for investment property is £18,619 (2022/23 – £16,820) relating to assets held under a finance lease (note 14).



## Notes to the financial statements

Year to 31 August 2024

## 10 Investment assets

	2024 £'000	2023 £'000
Listed investments		
Market value at 1 September	5,187	6,018
Additions to investments at cost	1,615	1,700
Disposals at market value - proceeds	(1,983)	(3,179)
Net unrealised investment gain	677	648
Market value at 31 August	5,496	5,187
Cash held by investment managers for reinvestment	31	6
<b>Market value at 31 August</b>	<b>5,527</b>	<b>5,193</b>
Cost of listed investments at 31 August	4,560	4,903

The £584k investment gain reported on the statement of financial activities is comprised of a realised loss on disposals in year within the disposals row above, offset against the net unrealised investment gain reported in the unrealised investment gain row above.

All listed investments were traded on a recognised stock exchange. Listed investments held at 31 August 2024 comprised the following:

	2024 £'000	2023 £'000
Overseas equities	3,089	2,878
Fixed interest	1,883	1,677
Alternative assets	516	589
Miscellaneous/foreign exchange	8	43
	<b>5,496</b>	<b>5,187</b>

All investments are held in a portfolio of diversified funds. Accordingly, no individual holding is considered to be material when compared to the total value of the listed investment portfolio at 31 August 2024.

Foreign exchange forward contracts 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.

## Notes to the financial statements

Year to 31 August 2024

**10 Investment assets (continued)**

	2024 £'000	2023 £'000
<b>Unrealised gains included above:</b>		
On investments	936	284
<b>Total unrealised gains at 31 August</b>	<b>936</b>	<b>284</b>
<b>Reconciliation of movements in unrealised gains</b>		
Unrealised gains at 1 September	284	387
Less: in respect to disposals in the year	(25)	(751)
Add: net unrealised gains	677	648
<b>Total unrealised gains at 31 August</b>	<b>936</b>	<b>284</b>

**11 Debtors**

	2024 £'000	2023 £'000
Trade debtors	755	839
Prepayments and other debtors	64	302
Accrued income	225	118
Amounts due from Absolute Return for Kids (Ark) (note 17)	2,516	2,536
Amounts due from Absolute Return for Kids (Ark) for Purposeful Ventures	-	10,264
Amounts due from Ark Schools	558	343
	<b>4,118</b>	<b>14,402</b>

**12 Creditors: Amounts falling due within one year**

	2024 £'000	2023 £'000
Accruals	295	317
Trade creditors	121	441
Deferred income	960	798
Amounts due to Absolute Return for Kids (Ark) (note 17)	414	451
Amounts due to Ark Schools	834	311
Taxation and social security	98	114
Other creditors	13	18
Amounts due to MESME as part of transfer	-	496
	<b>2,735</b>	<b>2,946</b>

## Notes to the financial statements

Year to 31 August 2024

### 12 Creditors: Amounts falling due within one year (continued)

Deferred income relates to programme fees for Ark Curriculum + received in advance for delivery in the following financial year. The movements in deferred income are analysed below:

	At 31 August 2023 £'000	Released from previous year £'000	Deferred in current year £'000	At 31 August 2024 £'000
Programme fees	798	(798)	960	960
<b>Total deferred income</b>	<b>798</b>	<b>(798)</b>	<b>960</b>	<b>960</b>

### 13 Creditors: Amounts falling due after more than one year

	2024 £'000	2023 £'000
Finance lease liability	19	17
	<b>19</b>	<b>17</b>

The finance lease element of the property is based on future rental payments and discounted by a long-term interest rate of 4.54% (2022/23 – 4.60%).

### 14 Finance lease

The future minimum finance lease payments are as follows:

	2024 £'000	2023 £'000
Not later than one year*	-	-
Later than one year and not later than five years	2	2
Later than five years	299	300
Total gross payments	301	302
Less: finance charges	(282)	(285)
<b>Carrying amount of liability</b>	<b>19</b>	<b>17</b>

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

The finance lease relates to the investment property (note 9). There are no contingent rental, renewal, or purchase option clauses.

## Notes to the financial statements

Year to 31 August 2024

## 15 Analysis of net assets between funds

2024	Unrestricted General fund £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Fund balances at 31 August 2024 are represented by:				
Investment assets	-	671	5,499	6,170
Current assets	111	5,906	61	6,078
Creditors: amounts falling due within one year	(69)	(2,480)	(186)	(2,735)
Creditors: amounts falling due in more than one year	-	-	(19)	(19)
Total net assets	42	4,097	5,355	9,494
2023	Unrestricted General fund £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Fund balances at 31 August 2023 are represented by:				
Investment assets	-	580	5,255	5,835
Current assets	479	16,995	75	17,549
Creditors: amounts falling due within one year	(434)	(2,354)	(187)	(2,975)
Creditors: amounts falling due in more than one year	-	-	(17)	(17)
Total net assets	45	15,221	5,126	20,392

## 16 Trustees' remuneration and expenses

The only trustees of the company who received payment or other emoluments are disclosed in Note 8 with no expenses being reimbursed to any trustee through Ark UK Programmes during the current and prior periods.

## 17 Related party transactions

The charity is a wholly owned subsidiary of Absolute Return for Kids (Ark). Ark UK Programmes has taken advantage of the exemption available under Section 33 of FRS102 Related Party Disclosure not to disclose group transactions between the charity and its parent.

During the year, the organisation had the following transactions with Ark Schools. Ark Schools is an Ark family member, Lord Fink and Lucy Heller are also trustees of Ark Schools.

## Notes to the financial statements

Year to 31 August 2024

### 17 Related party transactions (continued)

*Income from Ark Schools and individual Ark academies:*

- £227k (2022/23 – £138k) towards the costs of the Ark Curriculum + resources and training and shared supplier accounts.

£0.7m (2022/23 – £0.7m) income was received in the year from The Education Endowment Foundation. Lucy Heller is a trustee of The Education Endowment Foundation and is also a trustee of Ark UK Programmes.

£10.3m (2022/23 - £nil) of closing reserves was granted to Purposeful Ventures when it became an independent charity on 01 November 2023. £3k (2022/23 - £nil) was paid to Purposeful Ventures for consultancy support provided. Lucy Heller is a trustee of Purposeful Ventures and is also a trustee of Ark UK Programmes.

### 18 Ultimate parent undertaking

During the year under review, the company's immediate and ultimate parent undertaking was Absolute Return for Kids (ARK). Ark is registered in England and Wales as a charitable company limited by guarantee (company registration number 04589451; charity registration number 1095322). For the period under review, Ark has included Ark UK Programmes within its group financial statements, copies of which are available at its registered office: 1EdCity, EdCity Walk, London, W12 7TF.

### 19 Taxation

Ark UK Programmes has charitable status (charity number 1137932). 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.

### 20 Post balance sheet events

The opening of three new Ark Start nurseries occurred since the year end, taking the total number of nurseries to five.

### 21 Discontinued operations

On 1 November 2023, Martingale Foundation became part of Purposeful Ventures - a newly formed charity - and was included within Ark UK Programmes accounts for the last time in full during the year ended 31 August 2024 as shown below.

The closing balance of £5,426k has been shown as a transfer out in the 2023/24 accounts on the face of the statement of financial activities.

## Notes to the financial statements

Year to 31 August 2024

**21 Discontinued operations** (continued)

On 1 November 2023, STEM Excellence Portfolio became part of Purposeful Ventures - a newly formed charity - and was included within Ark UK Programmes accounts for the last time in full during the year ended 31 August 2024 as shown below.

The closing balance of £4,840k has been shown as a transfer out in the 2023/24 accounts on the face of the statement of financial activities.

	Martingale Foundation £000	STEM Excellence Portfolio £000	Total 31 August 2024 £000	Martingale Foundation £000	STEM Excellence Portfolio £000	MESME £000	Total 31 August 2023 £000
<b>Income from:</b>							
Donations and legacies:							
Grants and donations	-	-	-	6,605	5,788	-	12,393
<b>Total income</b>	-	-	-	6,605	5,788	-	<b>12,393</b>
<b>Expenditure on:</b>							
Charitable activities							
Support to programmes	(726)	(290)	<b>(1,016)</b>	(453)	(658)	-	<b>(1,111)</b>
Donations to new charity	(5,426)	(4,840)	<b>(10,266)</b>	-	-	(496)	<b>(496)</b>
<b>Total expenditure</b>	<b>(6,152)</b>	<b>(5,130)</b>	<b>(11,282)</b>	<b>(453)</b>	<b>(658)</b>	<b>(496)</b>	<b>(1,607)</b>
Net expenditure for the year ended 31 August 2024	<b>(6,152)</b>	<b>(5,130)</b>	<b>(11,282)</b>	<b>6,152</b>	<b>5,130</b>	<b>(496)</b>	<b>10,786</b>
Restricted fund balance at 1 September 2023	6,152	5,130	<b>11,282</b>	-	-	496	<b>496</b>
Restricted fund balance at 31 August 2024	-	-	-	6,152	5,130	-	<b>11,282</b>

## Notes to the financial statements

Year to 31 August 2024

## 22 Comparative statement of financial activities for continuing operations

		Un- restricted £'000	Restricted £'000	Endowments £'000	Year ended 31 August 2023 Total £'000
<i>Income from:</i>					
<i>Donations and legacies:</i>					
Grants and donations	2a	-	15,384	-	15,384
<i>Charitable activities</i>					
Programme fees	2b	-	2,777	-	2,777
Other income	2b	7	120	-	127
Investments	3	-	99	-	99
Continuing operations		7	18,380	-	18,387
Discontinued operations	21	-	-	-	-
<b>Total income</b>	<b>6</b>	<b>7</b>	<b>18,380</b>	<b>-</b>	<b>18,387</b>
<i>Expenditure on:</i>					
<i>Raising funds</i>					
Investment management fees		-	-	56	56
Interest on finance lease		-	-	1	1
<i>Charitable activities</i>					
Support to programmes	4,5	-	6,326	-	6,326
Grants from endowments	4	-	-	950	950
Transfers to MESME	21	-	496	-	496
Continuing operations		-	6,822	1,007	7,829
Discontinued operations	21	-	-	-	-
<b>Total expenditure</b>	<b>6</b>	<b>-</b>	<b>6,822</b>	<b>1,007</b>	<b>7,829</b>
<i>Net income (expenditure) before gains (losses) on investments</i>		<b>7</b>	<b>11,558</b>	<b>(1,007)</b>	<b>10,558</b>
Gains (losses) on investments	9, 10	-	-	78	78
<b>Net income (expenditure) and net movement in funds</b>		<b>7</b>	<b>11,558</b>	<b>(929)</b>	<b>10,636</b>
<i>Reconciliation of funds</i>					
Funds brought forward at 1 September 2022		38	3,663	6,055	9,756
Funds carried forward at 31 August 2023	6	45	15,221	5,126	20,392

There were no recognised gains and losses in the period other than those stated above.