

Ark Group Limited

Annual report and financial statements for the year ended 30 June 2019

Company Registration No. 03023875

Ark Group Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
30 June 2019



Ark Group Limited

Annual report and financial statements for the year ended 30 June 2019

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Ark Group Limited

COMPANY INFORMATION

for the year ended 30 June 2019

DIRECTORS

P Ros (resigned 12 April 2019)
M Morgan (appointed 12 April 2019)
R Amos

COMPANY SECRETARY

D Barton (resigned 17 May 2019)
S Tahir (appointed 17 May 2019)

COMPANY NUMBER

03023875

REGISTERED OFFICE

5th Floor
10 Whitechapel High Street
London
E1 8QS

BUSINESS ADDRESS

5th Floor
10 Whitechapel High Street
London
E1 8QS

BANKING AGENT

Barclays Bank plc
1 Churchill Place
London
E14 5HP

SOLICITOR

Gowling WLG
4 More London Riverside
London
SE1 2AU

Ark Group Limited is a private company limited by shares.

Ark Group Limited

STRATEGIC REPORT

for the year ended 30 June 2019

The directors submit their Strategic Report for the year ended 30 June 2019 for Ark Group Limited ('the Company').

RESULTS AND DIVIDENDS

The loss on ordinary activities before taxation for the year is £3 (2018: £nil). The Company has authorised a final dividend of £nil (2018: £nil). Net assets as at 30 June 2019 were £806,752 (2018: £806,755).

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company's principal activity during the year continued to be a holding company.

On 30 June 2019 the shares of Ark Conferences Limited were transferred from the Company to Central Law Training Limited, a fellow subsidiary of Wilmington Plc, for a consideration of £102. The consideration remains on the intercompany account and has not been received in cash.

BUSINESS OBJECTIVES AND STRATEGY

The objective of Ark Group Limited, being a holding company, is to continue to hold the investments in subsidiary companies.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to arise from the rapidly changing technology, which therefore needs constant development and investment. Further discussion of these risks and uncertainties, including those in the context of the Wilmington plc as a whole, is provided in the group's annual report which does not form part of this report.

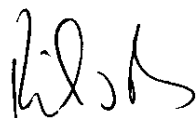
FINANCIAL RISK MANAGEMENT

Interest rate risk, liquidity risk and capital risk are managed on a group-wide basis by the Company's ultimate parent company, Wilmington plc. The Company operates in accordance with funding policies controlled by the executive directors of the parent company. The Company does not actively use financial instruments as part of its financial risk management and is not significantly exposed to any financial risk in its activity as a holding company.

KEY PERFORMANCE INDICATORS

As this is a holding company the directors do not consider there are any relevant key performance indicators.

By order of the board



R Amos
Director

00 December 2019

Ark Group Limited

DIRECTORS' REPORT

for the year ended 30 June 2019

The directors submit their report and the financial statements of Ark Group Limited for the year ended 30 June 2019. Please refer to the Strategic Report on page 2 for the disclosure on the Company's financial risk management.

RESULTS AND DIVIDENDS

The loss on ordinary activities before taxation for the year is £3 (2018: £nil). The Company has authorised a final dividend of £nil (2018: £nil). Details of the future developments of the Company are disclosed in the Strategic report.

DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated were:

P Ros (resigned 12 April 2019)

M Morgan (appointed 12 April 2019 and resigned 27 August 2019)

R Amos

M Milner (appointed 27 August 2019)

DIRECTORS' THIRD PARTY INDEMNITY PROVISIONS

A qualifying third party indemnity provision was in place for Directors throughout the year and at the date of the approval of the financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Ark Group Limited

DIRECTORS' REPORT

for the year ended 30 June 2019

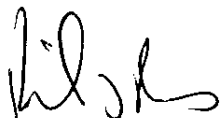
EXEMPTION FROM AUDIT

For the year ending 30 June 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

On behalf of the board



R Amos
Director
20 December 2019

Ark Group Limited

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2019

	2019 £	2018 £
Income from shares in group undertakings	—	—
Other costs	<u>(3)</u>	<u>—</u>
(LOSS)/RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION	(3)	—
Tax on (loss)/result on ordinary activities	<u>—</u>	<u>—</u>
(LOSS)/RESULT AND TOTAL COMPREHENSIVE EXPENSE FOR THE FINANCIAL YEAR	<u>(3)</u>	<u>—</u>

The operating loss for the year arises from the Company's continuing operations.

The Company has no other comprehensive expense other than those included in the results above.

Ark Group Limited

BALANCE SHEET

as at 30 June 2019

Company Registration No. 03023875

	Note	2019 £	2018 £
FIXED ASSETS			
Investments	3	—	102
CURRENT ASSETS			
Debtors	4	806,752	806,653
		806,752	806,653
NET CURRENT ASSETS		806,752	806,653
TOTAL ASSETS LESS CURRENT LIABILITIES		806,752	806,755
NET ASSETS		806,752	806,755
CAPITAL AND RESERVES			
Called up share capital	5	127	127
Share premium account	6	629,170	629,170
Retained earnings		177,455	177,458
TOTAL SHAREHOLDERS' FUNDS		806,752	806,755

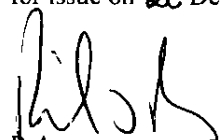
EXEMPTION FROM AUDIT

For the year ending 30 June 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements and related notes on pages 5 to 11 were approved by the board of directors and authorised for issue on 20 December 2019 and are signed on its behalf by



R Amos
Director

Ark Group Limited

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2019

	Called up share capital	Share premium account	Retained earnings	Total shareholders' funds
	£	£	£	£
At 1 July 2017	127	629,170	177,458	806,755
Result and total comprehensive income for the financial year	—	—	—	—
At 30 June 2018	127	629,170	177,458	806,755
Loss and total comprehensive expense for the financial year	—	—	(3)	(3)
At 30 June 2019	127	629,170	177,455	806,752

Ark Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019

GENERAL INFORMATION

Ark Group Limited ('the Company') continued to act solely as an investment holding company. The Company is a private limited company and is incorporated and domiciled in the UK. Its registered office is 10 Whitechapel High Street, London, E1 8QS.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
 - (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from Contracts with Customers'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 'Business Combinations'.
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 40A-D (requirements for a third statement of financial position).
- Paragraph 18A of IAS 24, 'Related party disclosures', related to key management services provided by a separate management entity.
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets' (disclosures when the recoverable amount is fair value less costs of disposal, assumptions involved in estimating recoverable amounts of cash generating units containing goodwill or intangible assets with indefinite useful lives and management's approach to determining these amounts).

Ark Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN

The directors confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements.

INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment. The Company evaluates the carrying value of fixed asset investments to determine if there has been impairment in value, which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the statement of comprehensive income.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of investments

Investments in subsidiaries are stated at cost less provision for any impairment in value. Investments are tested for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When an impairment test is performed, the recoverable amount of the asset is assessed and its carrying amount is reduced to that amount if lower, and any impairment losses are recognised in the income statement.

NEW STANDARDS AND INTERPRETATIONS APPLIED

The following new standards, amendments and interpretations have been adopted in the current year:

International Financial Reporting Standards (IFRS/IAS)		Effective for accounting periods starting after
IFRS 2	Classification and Measurement of Share Based Payment Transactions – Amendments to IFRS 2	1 January 2018
IFRS 9	Financial Instruments	1 January 2018
IFRS 15	Revenue from Contracts with Customers	1 January 2018

The adoption of these new standards, amendments and interpretations has not led to any material impact on the financial position or performance of the company.

NEW STANDARDS AND INTERPRETATIONS NOT APPLIED

The International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRS IC) have issued new standards and interpretations with an effective date after the year starting 1 July 2019.

International Financial Reporting Standards (IFRS/IAS)		Effective for accounting periods starting after
IFRS 16	Leases*	1 January 2019
IAS 28	Long-term Interests in Associates and Joint Ventures	1 January 2019
IFRIC Interpretation 23	Uncertainty over Income Tax Treatments	1 January 2019

*Standard endorsed by the EU

Management is currently assessing the impact of the above new standards. During the year to 30 June 2020 the company will put in place necessary processes to capture all of the adjustments and additional disclosures required for those standards taking effect before this date. There are no other IFRSs or IFRS IC interpretations that are not yet effective that would be expected to have a material impact on the company.

Ark Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019

2 DIRECTORS' EMOLUMENTS

The Company's three (2018: three) directors are remunerated by Wilmington plc, the ultimate parent; their emoluments are disclosed in the financial statements of the parent company. No directors (2018: no) are remunerated by the Company. No loss (2018: no loss) of office for the directors has been sustained during the year.

Two directors (2018: three) are entitled to shares under a long term incentive plan. One of the directors (2018: one) is accruing benefits under money purchase pension schemes during the year.

3 INVESTMENTS

Investments in
subsidiary
undertakings

At 1 July 2018	£
Transfer to immediate parent	102
At 30 June 2019	<u>(102)</u>

On 30 June 2019 the shares of Ark Conferences Limited were transferred from the Company to Central Law Training Limited, a fellow subsidiary of Wilmington Plc, for a consideration of £102. The consideration remains on the intercompany account and has not been received in cash.

The Company holds the following investments in subsidiary undertakings:

Name of company	UK company number	Registered address	Percentage ownership
Ark Group Inc.	n/a	333 West North Avenue, Suite 373, Chicago	100

4	DEBTORS	2019 £	2018 £
	Amounts due within one year:		
	Amounts owed by group undertakings	<u>806,752</u>	<u>806,653</u>

Amounts owed by group undertakings are unsecured, interest free and receivable on demand.

5	CALLED UP SHARE CAPITAL	2019 £	2018 £
	Authorised:		
	Ordinary shares of £0.01 each	<u>127</u>	<u>127</u>
		2019 Number	2018 Number
	Allotted, issued and fully paid:		
	Ordinary shares of £0.01 each	<u>12,747</u>	<u>12,747</u>

Ark Group Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019

6	SHARE PREMIUM ACCOUNT	2019	2018
		£	£
	At 30 June	<u>629,170</u>	<u>629,170</u>

7 CONTINGENT LIABILITIES

The Company has entered into a guarantee in respect of the ultimate parent company's committed revolving credit facility of £65,000,000. The initial agreement expired in July 2020; this has been extended in the year to July 2023 with an option to extend to 3 October 2024. At 30 June 2019, the Company had a contingent liability of £41,789,822 (2018: £50,379,500) in respect of drawdowns from this facility.

8 ULTIMATE PARENT UNDERTAKING

The Company is a wholly-owned subsidiary of Central Law Training Limited and of its ultimate parent, Wilmington plc. It is included in the consolidated financial statements of Wilmington plc which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

The ultimate parent company, and the parent undertaking of the largest and smallest group for which consolidated financial statements are prepared, is Wilmington plc, which is incorporated in the UK and for which financial statements are available from 10 Whitechapel High Street, London, E1 8QS.

9 RELATED PARTY TRANSACTIONS

Wilmington plc, together with its other wholly owned subsidiaries, offers certain group-wide purchasing facilities to the Company and other subsidiaries whereby the actual costs are recharged. Transactions during the year with other group entities were cost recharges and cash movements.

The Company is a wholly owned subsidiary of a group that prepares publicly available consolidated financial statements, namely the group headed by Wilmington plc, so it has taken advantage of the exemption IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.