Ark Commercial Investment Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended

31 March 2026

(Company Registration Number SC504423)

Contents **Page Number**

OFFICERS AND PROFESSIONAL ADVISORS

Directors

Dave Proudfoot – Chair (resigned 25 September 2025)
Andy Laing – Chair (appointed 25 September 2025)
Hannah Bray
Emma Johnston (resigned 27 May 2025)
Bobby Duffy
Milan Milovanovic

External Auditor

CT Audit Limited
Chartered Accountants and
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

The Royal Bank of Scotland

Corstorphine Branch
239 St John's Road
Edinburgh
EH12 7XA

Registered Office

Lochside House
Ground Floor West Suite
3 Lochside Way
Edinburgh
EH12 9DT

Solicitors

T C Young
Melrose House
69a George Street
Edinburgh
EH2 2JG

Contact Details

Website: www.arkha.org.uk
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DIRECTORS REPORT

The directors present their report and the financial statements of the company for the year ended 31 March 2026.

Principal activities

The principal activity of the company during the year was the letting of rooms for student accommodation.

Donation

At the year-end it was agreed to make a donation to the parent company of £18,785.

Directors' responsibility statement

The directors are responsible for preparing the 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

DIRECTORS REPORT (continued)

Small company provisions

The Directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Directors

[redacted]

Andy Laing (Chair)
August 2026

Lochside House
Ground Floor West Suite
3 Lochside Way
Edinburgh
EH12 9DT

INDEPENDENT AUDITOR'S REPORT

Opinion
We have audited the financial statements of Ark Commercial Investment Limited for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 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 company's affairs as at 31 March 2026 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' 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 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 directors 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, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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.

INDEPENDENT AUDITORS REPORT (continued)

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

INDEPENDENT AUDITORS REPORT (continued)

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the directors;
- review of minutes of board meetings throughout the period;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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

Stuart Beattie CA (Senior Statutory Auditor)
For and on behalf of CT Audit Limited, Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

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CT Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	**2026** **£**	**2025** **£**
Turnover		151,787	113,171
Cost of sales		(88,103)	(59,753)
Gross profit		63,684	53,418
Administrative expenses		(44,899)	(40,141)
Operating profit		18,785	13,277
Interest receivable		-	-
		18,785	13,277
Tax on profit on ordinary activities	*5*	-	-
Profit for the financial year and total comprehensive income		**18,785**	**13,277**

All amounts relate to continuing operations.

The notes on pages 10 to 13 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Notes	**2026**	**2025**
		£	**£**
Current assets			
Debtors	*6*	9,374	7,419
Cast at bank		50,963	24,547
		60,337	31,966
Creditors: amounts falling due within one year	*7*	(60,337)	(31,966)
Net current assets / (liabilities)		-	-
Total assets less current liabilities		**-**	**-**
Capital and reserves			
Called up equity share capital	*8*	1	1
Profit and loss account		(1)	(1)
Shareholder's funds		**-**	**-**

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

These financial statements were approved and authorised for issue by the directors on the August 2026 and are signed on their behalf by:

[redacted]

Andy Laing (Chair)

The notes on pages 10 to 13 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £	Profit and loss account £	Total £
At 1 April 2024	**1**	**(1)**	**-**
Profit for the year	-	13,277	13,277
Other comprehensive income for the year:			
Distributions – gift aid	-	(13,277)	(13,277)
Total comprehensive income for the year	**-**	**-**	**-**
At 31 March 2025	**1**	**(1)**	**-**
Profit for the year	-	18,785	18,785
Other comprehensive income for the year:			
Distributions – gift aid	-	(18,785)	(18,785)
Total comprehensive income for the year	**-**	**-**	**-**
At 31 March 2026	**1**	**(1)**	**-**

The notes on pages 10 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. Legal status

Ark Commercial Investment Limited is incorporated and domiciled in Scotland with registered company number SC504423. The registered office is Lochside House, Ground Floor West Suite, 3 Lochside Way, EH12 9DT. The principal activity of the Company is the provision of student accommodation for let and associated management services.

2. Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance the provisions of Financial Reporting Standard 102, Section 1A, applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The presentational currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest £.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, including an assessment of the uncertainty on future operations for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis. Based on this assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents rental income received inclusive of VAT and other related taxes, and is recognised on a time-apportioned basis.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year, and is charged in the Statement of Comprehensive Income. Deferred tax is provided on the liability method to take account of timing differences between the treatment for certain items for accounts purposes and the treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

2. Accounting policies (continued)

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. Auditors remuneration

	2026	**2025**
	£	**£**
Audit fee	2,280	2,220

4. Employees

The average number of employees during the period was nil (2025: nil). Key management personnel are employed by Ark Housing Association and perform an executive management role across all Ark subsidiaries.

5. Taxation on ordinary activities

Major components of tax expense:

	2026	**2025**
	£	**£**
Current tax:		
UK current tax expense	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Taxation on ordinary activities	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

6. Debtors

	2026 £	2025 £
Other debtors & prepayments	9,374	7,419
	9,374	7,419

7. Creditors: amounts falling due within one year

	2026 £	2025 £
Amounts due to parent undertaking	47,370	23,470
Deferred income	9,210	5,145
Accruals	3,757	3,351
	60,337	31,966

8. Called up share capital

Authorised share capital:	2026 No.	2025 £
Ordinary shares of £1 each	1	1
Issued called up and fully paid:		
Ordinary shares of £1 each	1	1

9. Reserves

Profit and loss account – includes all current and prior period retained profits and losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (continued)

10. Commitments

Operating leases

At the end of the financial year Ark Commercial Investment Limited had total future minimum lease payments under non-cancellable operating leases as follows:

	2026	2025
	£	£
Equipment		
In one year or less	3,472	3,472
In two to five years	-	-
	3,472	3,472

	2026	2025
	£	£
Land and buildings		
In less than one year	45,300	45,300
In more than one year	384,144	429,444
	429,444	474,744

11. Related party transactions

Ark Housing Association Limited provides professional and administrative support to Ark Commercial Investment Limited for which there was a charge of £3,100 (2025: £3,000) made during the year. There were also charges of £63,600 (2025 £42,300) for property rental. At 31 March 2026 there was a total balance of £47,370 (2025: £23,470) owed to Ark Housing Association Ltd, which includes a donation of £18,785.

12. Ultimate parent undertaking

Ark Commercial Investment Limited is a wholly managed subsidiary of Ark Housing Association Limited, a registered social landlord in Scotland. Consolidated group financial statements are available from Ark Housing Association Limited, Lochside House, Ground Floor West Suite, 3 Lochside Way, EH12 9DT.