

Registration number: 02450180

# Arden University Limited

Annual Report and Financial Statements

for the Year Ended 31 May 2025

# **Arden University Limited**

## **Contents**

Company Information	1
Strategic Report	2 to 10
Directors' Report	11 to 14
Independent Auditors' Report	15 to 18
Profit and Loss Account	19
Statement of Comprehensive Income	20
Balance Sheet	21 to 22
Statement of Changes in Equity	23
Statement of Cash Flows	24
Notes to the Financial Statements	26 to 48

# Arden University Limited

## Company Information

<b>Directors</b>	<p>The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:</p> <p>A Etingen</p> <p>R T Hannay</p> <p>V Kisilevsky</p> <p>A Tate</p> <p>M Bishop</p> <p>C R Lygo</p> <p>A Weinberg (appointed 13 October 2025)</p> <p>R M Claire (appointed 13 October 2025)</p>
<b>Registered office</b>	<p>Arden House Middlemarch Park Coventry England CV3 4FJ</p>
<b>Independent Auditors</b>	<p>PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Chamberlain Square Birmingham B3 3AX</p>

## Arden University Limited

### Strategic Report for the Year Ended 31 May 2025

The directors present their strategic report of the group (Arden University Limited and its subsidiaries) for the year ended 31 May 2025.

#### **Business review**

Arden University Limited (“the University” or “the company”) has a long-standing commitment to providing flexible and accessible higher education. Since its inception in 1990 as a trusted online learning partner for universities across the United Kingdom, the University has continued to evolve, achieving full university status in 2016 and indefinite taught degree awarding powers in 2021.

The University offers an extensive portfolio of learning opportunities designed to meet the changing needs of modern students. With a sustained focus on accessibility and industry engagement, and a strong culture of student and staff support, Arden University Limited continues to remove traditional barriers to higher education. The University delivers over 80 career-focused qualifications, many of which are accredited by leading professional bodies. Programme content is developed in collaboration with UK employers and international businesses, ensuring alignment with current and future workplace requirements.

In the latest financial year, the University continued to deliver on its mission to provide high-quality teaching and learning within an environment that fosters academic excellence and student wellbeing. Despite challenges in the higher education sector, the University has further strengthened its financial position while investing strategically in expansion, digital transformation, and enhancing the student experience.

The results are set out on page 17. For the year ended 31 May 2025, the group recorded a profit before taxation of £87,567k (2024: £58,791k) and a profit after taxation of £64,671k (2024: £43,702k). Turnover for the year was £241,467k, representing year-on-year growth of 27%, underpinned by a series of strategic investments and development initiatives. The University continues to significantly invest, via capital and operating expenditure, in developing resources and facilities aimed at supporting student experience and improving student outcomes. A significant development during the year was the implementation of the SITS (Strategic Information Technology Services) system, a student information management system that manages the full journey from application through to award. This has already resulted in an enhanced student experience while delivering operational efficiencies.

The University’s commitment to student success was reflected in external recognition during the year. In 2025, Arden University was awarded Higher Education Institution of the Year at the Education Investor Awards. In the Times Higher Education league table (based on the National Student Survey 2025 results), Arden University achieved 5th place nationally for overall student positivity (up from 16th in 2024). The University ranked 1st among private universities in the United Kingdom, as was the case in 2024. These results demonstrate the effectiveness of the University’s academic structure and student-focused strategy.

Arden University Limited remains committed to sustainability, diversity, and social responsibility. The University has implemented further initiatives to reduce its environmental impact, including energy efficiency, waste reduction, and sustainable practices across its campuses. The University also upholds principles of diversity, equity, and inclusion, creating a supportive environment for both students and staff. Governance arrangements are designed to ensure transparency and accountability, with practices aligned to ethical standards and stakeholder expectations. In doing so, the University integrates environmental, social, and governance (ESG) principles, together with corporate social responsibility (CSR) values, into both its academic and operational strategies.

The University continues to operate branches in Berlin, Germany and Prague, Czech Republic.

## Arden University Limited

### Strategic Report for the Year Ended 31 May 2025

#### Key performance indicators

The University considers revenue, operating profit, EBITDA (earnings before interest, tax, depreciation and amortisation), net assets and student outcomes to be its key performance indicators.

Financial KPIs	Unit	2024-25	2023-24
Revenue	£'000	241,467	189,437
Operating profit	£'000	78,657	53,415
EBITDA	£'000	85,009	57,852
Net assets	£'000	164,883	100,204

The continued sustainable financial management is demonstrated in the improved year-on-year metrics shown above. Investment in software to provide automation has not only generated efficiencies, but has also further enhanced student experience which remains a fundamental focus of management.

This is evidenced below in our non-financial KPIs:

Non-financial KPIs	Unit	2024-25	2023-24
Student satisfaction (NSS)	Ranking*	5th	16th
Graduate outcomes**	%	54	53
Median graduate salary***	£	30,000	27,000

\*As ranked by the Times Higher Education summary of the National Student Survey (NSS).

\*\*Graduate outcomes relates to the percentage of students achieving a 'good' degree, defined as 2:1 or higher.

\*\*\*Median graduate salaries are as reported in the National Graduate Outcomes Survey results for 2025. The national average for all UK universities per the survey was £28,500 (2024: £27,000).

## Arden University Limited

### Strategic Report for the Year Ended 31 May 2025

#### **SECR**

Our energy usage in our properties in the year to 31 May 2025 was 2,377 mWh (2024: 2,105 mWh). This equates to 2.0 tonnes of CO2 per £m of turnover (2024: 2.2 tonnes of CO2 per £m of turnover).

The University has made significant changes through the last financial year to improve energy efficiency and reduce the environmental impact of their sites. Various measures have been implemented, including the introduction of REGO ('Renewable Energy Guarantees of Origin') certified electricity supplies in directly-controlled locations and installation of environmentally-friendly integral features. These changes have been critical in ensuring that the University is on track to reduce its carbon footprint metrics as the business continues to grow, as demonstrated by the 'Employees' and 'Revenue' KPIs below. It is noted that due to a number of replacement study centres opening in the previous financial year, total floor area utilised was higher than in the year to 31 May 2025, which is the key driver of this metric increasing.

Over the next 12 months, the University's growth plans will include opening energy efficient premises with EPC A ratings as part of our continued drive towards improved sustainability, which remains a key priority for the business.

The calculations in the table below have been made using the Scope 1 and 2 definitions contained within the Greenhouse Gas Protocols, using the location-based methodology. These have been prepared by The Planet Mark as part of the University's ongoing commitment to sustainability.

		<b>2024-25</b>	<b>2023-24</b>
		<b>12 months</b>	<b>12 months</b>
kWh utilised	Scope 1	2,377,307	2,104,978
Tonnes of CO2e	Scope 1	478	419
Floor Area (kWh per sq. ft)	Scope 2	11.28	8.43
Employees (tCO2e per employee)	Scope 2	0.36	0.37
Revenue (tCO2e per £m)	Scope 2	1.98	2.21

#### **Section 172(1) statement**

The s172(1) statement focuses on matters of strategic importance to Arden University Limited.

We continue to create long-term, sustainable value for our shareholders, by developing our core strengths. This has been demonstrated in recent years by the continued impressive growth of the business, driving the success of the University for the shareholders as a whole, whilst also ensuring that a quality student experience is delivered throughout.

As outlined in the preceding pages the Board have an established series of committees, which provide a robust and constructive forum for review and challenge of senior management. The Board closely monitors risk, business critical policies, procedures and investments whilst maintaining oversight and direction of key stakeholder relationships including with regulators.

All members of the Board are subject to an established induction process which ensures the responsibilities of the office are understood. Members of the Board are selected for their expertise in their respective specialist areas, ensuring that they are both qualified and sufficiently experienced to add value to the University's leadership team.

## **Arden University Limited**

### **Strategic Report for the Year Ended 31 May 2025**

#### **Directors' indemnity statement of compliance with duty to promote the success of the University**

We recognise the importance of our wider stakeholders in delivering our strategy and business sustainability, and are conscientious about our responsibilities and duties to our stakeholders under section 172 (1) of the Companies Act 2006 and have taken into account the following as per s172 (1) (a to f) of the Companies Act 2006:

- The likely long term consequences of any decision taken by the Board;
- The interest of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the company.

#### **Future prospects**

The growth of the University is reflected in a net asset balance of £164,883k (2024: £100,204k), an increase of £64,679k at 31 May 2025. Arden University Limited continues to forecast positive cash balances for at least 12 months following the approval of these financial statements.

Looking forward, the University continues to study the changing world of work and the skills that students need for the future, ensuring we are well placed to support students and employers.

Further investment to enhance the campus experience for students is planned across the next three years. The University has recently announced further study centres opening in Nottingham and Stratford, East London, increasing the University's presence across the United Kingdom.

#### **Engagement with employees**

We want Arden University Limited to be a great place to work, where people from all backgrounds and with disabilities have fair and equal access to employment and opportunities.

Our aim is for every one of our colleagues to fulfil their potential to the benefit of our students. It is particularly important to us as a modern university focused on more inclusive education to demonstrate accessibility and opportunity across our university community.

We are a 'Disability Confident' employer, which means that we are committed to creating inclusive recruitment processes. This includes promoting our vacancies in an accessible way, ensuring that people with disabilities are offered interviews and working with individuals to anticipate and accommodate required adjustments. We are currently at Committed Level 1 and we continue to work towards achieving Level 2 in the near future.

We ask new employees during the onboarding process to declare any disabilities. The People team (and, where the colleague chooses, their manager) will then discuss and implement any required reasonable adjustments. This is also true for any existing colleagues who develop a disability during the course of their employment with us.

We continually develop and expand our engagement with all colleagues through our survey, 'Being Arden'. We run a full survey once a year and develop corporate and local action plans from our results. We also conduct check-in ('pulse') surveys during the year.

## **Arden University Limited**

### **Strategic Report for the Year Ended 31 May 2025**

One of the ongoing corporate areas of focus from our engagement surveys is equality, diversity, inclusion and belonging. We have dedicated resource within our People team driving forward our equality agenda, which includes further developing our colleague equality network groups. Working with our Disability, Health and Wellbeing Network Group will drive the agenda forward in these areas for our colleagues.

Colleague communication is through a variety of channels, including our intranet (ARDEN UNiverse), update emails, team meetings and our regular 'All Colleague Call'. These include updates on the University and its financial performance, management topics, our teams, our work and our people.

#### **Engagement with stakeholders**

The Board delegates detailed oversight through a series of committees covering academic standards, remuneration, finance, resources, pricing, data governance and audit (including internal control). The membership is comprised of an appropriate cross section of Board members, senior management and external advisors.

The University maintains a comprehensive set of policies and procedures covering all areas of the business with oversight from the Board and its committees. The scope of these policies includes:

- University, employee and student ethics;
- academic matters;
- health and safety;
- value for money and interaction with our suppliers; and
- student matters with a focus on fees, attendance and refunds.

The satisfaction of our students represents our primary goal, focusing on high quality, value for money academic provision. Strengthening our existing partnerships and developing new partnerships with academic partners represents a critical element of achieving our goals for students at Arden University Limited.

The Board is committed to ensuring that the University maintains high standards of ethics and business conduct in everything that we do.



## **Arden University Limited**

### **Strategic Report for the Year Ended 31 May 2025**

#### **Principal risks and uncertainties**

Arden University Limited has an established strategic risk register which is reviewed by the directors and senior management quarterly. The strategic risk register includes the assessment of the likelihood and impact of a risk becoming a reality. The principal risks and uncertainties of the business are broadly grouped as Competitive, Regulatory & Quality Assurance, and Liquidity.

#### **Competitive**

Competition amongst UK universities is strong in the UK and in some international regions, resulting in the risk that students may favour other institutions unless the University remains an attractive proposition. Arden University Limited differentiates itself through its efficient online Distance Learning delivery model, its Blended Learning delivery model, its Apprenticeships programmes, its many years of experience operating internationally and in seeking new marketplaces for its products. The flexibility and choice offered to students means that Arden University is uniquely situated in the industry.

#### **Regulatory & Quality Assurance**

As a UK Higher Education (HE) provider, Arden University Limited is regulated by the Office for Students (OfS). We are also regulated by OFSTED for apprenticeships and UK Visas and Immigration (UKVI) in relation to international students. Non-compliance risks losing the ability to award certifications to students.

The University has implemented systems and processes to ensure compliance with relevant regulations and standards. Management regularly reviews systems and procedures in order to manage regulatory risk.

#### **Liquidity Risk**

As with any business, there is a risk that cash flow issues can be encountered, leaving it unable to settle its financial obligations when they become due. The University manages its liquidity risk via a robust process of cash monitoring and review to ensure that it maintains adequate cash reserves.

#### **Other risks**

As well as the principals risks and uncertainties noted above, the University monitors a broader range of potential risks which are discussed below. While these are deemed to be lower risk than those discussed above, the likelihood of a risk becoming a reality remains under frequent assessment.

#### **Cyber risk**

The frequency and severity of cyber attacks on UK businesses is ever-increasing and there is therefore a risk that the University could be a victim of such an attack, resulting in business disruption, security breaches and impacts on students. The University educates students and staff alike on the risk of cyber attacks and measures that can be put in place to mitigate this risk.

#### **Price Risk**

The University has a limited exposure to price risk and manages the risk through monitoring of the costs of supply of the services utilised by the business and taking appropriate mitigating action as and when necessary.

#### **Exchange Rate Fluctuation**

The University is exposed to fluctuations in exchange rates due to operating in international markets. Risk is limited and the impact is managed by matching the expected currency inflows and outflows as far as possible.

#### **Interest Rate Cash Flow Risks**

The University has a limited exposure to interest rate risk given the lack of reliance on external funding.

## **Arden University Limited**

### **Strategic Report for the Year Ended 31 May 2025**

#### **The Environment**

We actively work to ensure that our policies, working practices and procedures are designed to prevent unreasonable risk of environmental damage. We continually seek out opportunities to improve our environmental performance and to contribute to the well-being and sustainability of the areas in which we operate. We continue our drive to become carbon neutral, planting a tree for every student that graduates from Arden University Limited.

The University is committed to reducing our impact on the environment and invests significant effort to achieve and maintain its carbon neutral status. Streamlined Energy and Carbon Reporting (SECR) Regulations are in place with energy consumptions and emissions reported under the SECR guidance.

#### **Statement of corporate governance**

Arden University Limited's corporate governance arrangements are set out below.

#### **The Board of Directors**

The Board of Directors (the 'Board') consists of non-executive and executive directors and is structured so that the non-executive members form an absolute majority. The roles of Chair and Chief Executive (Vice-Chancellor) are separated.

The Board is responsible for the ongoing strategic direction of the University, its financial solvency, approval of major developments, and the receipt of regular reports from members of the senior executive team on the day-to-day operations of the University and any subsidiary companies. Under the Articles of Association a number of matters are reserved to the Board. The Board approves key governance policies and documents, which are updated and reviewed by the Board as and when appropriate.

The Board delegates some detailed oversight and exercises its function through a series of committees, which are described below.

#### **Academic Board**

The Board has established an Academic Board which is responsible under delegated authority from the Board of Directors for maintaining and enhancing the academic performance of the University in teaching, examining and research, and for advising the Board of Governors on matters relating to the educational character and mission of the University. The Academic Board's terms of reference are approved by the Board of Directors.

#### **Audit and Risk Committee**

Chaired by the Deputy Chair of the Board (independent Non-Executive Director), the Audit and Risk Committee is responsible for overseeing the adequacy of internal controls relating to risk management, disclosure and financial reporting. Recommends the appointment and provides feedback on the work of the internal and external auditors and considers their reports, together with recommendations for the improvement of the systems of internal control in conjunction with management responses and implementation plans. It reviews the University's annual financial statements and the appropriateness of its accounting policies. It also provides oversight of the risk management process on the Board's behalf.

## **Arden University Limited**

### **Strategic Report for the Year Ended 31 May 2025**

#### **Remuneration and Nominations Committee**

Chaired by the Chair of the Board, it:

- Considers the salaries and terms and conditions of service of senior staff, including the Vice-Chancellor;
- Reviews the Vice-Chancellor remuneration and ensures the contribution, value and performance are justified and commensurate with the remuneration provided;
- Has oversight of the processes and policies for senior appointments; and
- Advises the Board on succession planning for the Board and the senior executive team.

#### **Finance and Resources Committee**

Reviews and presents to the Board of Directors:

- The University's annual capital and revenue budgets;
- Estates and human resources matters;
- The University's financial policies;
- Financial performance and its impact on strategy;
- Public funding received, ensuring it is used in line with its purpose;
- Financial and statistical returns and forecasts submitted to regulatory bodies including the Office for Students; and
- Updates in relation to compliance with the University's 'Value for Money' policy.

There can be only one member of the Audit and Risk Committee on the Finance and Resource Committee but this member may not be the Chair.

#### **Academic Standards and Ethics Committee**

The purpose of the Academic Standards and Ethics Committee is to safeguard and keep under review the standard of education provided and degrees awarded by the University. The Academic Standards and Ethics Committee has oversight of and works closely with the Academic Board. The Academic Board is the custodian of academic standards and quality and is responsible for delivering Higher Education and awarding degrees in accordance with Arden University Limited's Regulatory Framework and relevant legislation relating to the delivery of UK Higher Education.

## Arden University Limited

### Strategic Report for the Year Ended 31 May 2025

#### Statement of internal control and corporate governance

The Board of Directors is responsible for ensuring a sound system of internal control to support the University's policies and objectives. It is responsible for safeguarding any public and other funds available to the University.

Internal control is designed to manage rather than eliminate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute, assurance against material misstatement or loss. It is also designed to prevent and detect fraud and other irregularities.

The University's system of internal control is informed by a continuous process to identify, evaluate and manage the University's significant risks, linked to the achievement of institutional objectives and regulatory responsibilities. This process covers business, operational and compliance as well as financial risk.

The effectiveness of the system of internal control is assessed in the following ways:

- The Board of Directors receives regular progress reports on risk management and confirms there is a clear policy and plan for risk management;
- The strategic risk register is updated throughout the year and identifies the main risk owners and risk mitigating actions. Risks are scored by likelihood and impact and are ranked accordingly;
- The Executive and Board regularly review all aspects of the Strategic Risk Register;
- The Audit and Risk Committee oversees the arrangements for risk management. Members of the Board of Directors receive a report of each meeting of the Audit and Risk Committee;
- Each year the Audit and Risk Committee approves a programme of specific internal audits for the following year, in addition to a programme of continuous auditing of the core financial systems. The programme of internal audit is based around a structured assessment of risks within the University's operations and is reviewed in-year to ensure that emerging issues are addressed; and
- The Audit and Risk Committee receives reports from the internal auditors. These reports provide an independent opinion on the adequacy and effectiveness of the University's arrangements for risk management and the internal control systems, together with appropriate recommendations. The internal auditors also report as a matter of course on the progress made in implementing recommendations from previous reports.

The Vice-Chancellor and the Chief Financial Officer attend meetings of the Audit and Risk Committee and have direct and independent access to members of that committee, as do the internal and external auditors.

The Board of Directors, through the Audit and Risk Committee, has reviewed the effectiveness of the system of internal control operating during the year ended 31 May 2025 and up to the date of approval of these financial statements. There were no significant internal control issues during the year.

The financial statements on pages 19 to 48 were approved by the Board on 27 October 2025 and signed on its behalf by:



.....  
C R Lygo  
Director

## **Arden University Limited**

### **Directors' Report for the Year Ended 31 May 2025**

The directors present their report and the audited financial statements of the group (Arden University Limited and its subsidiaries) and company for the year ended 31 May 2025.

#### **Principal activity**

The principal activity of Arden University Limited is the provision of tuition at both higher education and apprenticeship level.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £64,671k (2024: £43,702k).

No dividends have been proposed or distributed for the year and up to the approval of the financial statements (2024: £nil)

#### **Directors of the company**

The directors who held office during the year and up to the date of signing the financial statements were as follows:

A Etingen

R T Hannay

V Kisilevsky

A Tate

M Bishop

C R Lygo

A Weinberg (appointed 13 October 2025)

R M Claire (appointed 13 October 2025)

#### **Future developments**

Arden University Limited's continued investment in the Blended Learning space will see further study centres opening over the next 12 months, allowing more students to benefit from our flexible learning model. The University has a long-term investment in Digital Learning and intends to further grow our online offering too, via the Distance Learning pathway.

The University expects to maintain a trajectory of business growth and continued investment in study centres, IT systems, academic management and support functions.

#### **Going concern**

The financial statements have been prepared under the going concern concept which assumes that the company will be able to meet its liabilities when they fall due, at least from 12 months of signing and for the foreseeable future. In drawing this conclusion the directors have prepared detailed cash flow forecasts and have considered sensitivities and risks in this process, including considering a severe but plausible downside scenario, under which the group is able to meet its obligations as they fall due. In addition, a revolver facility is in place with funds available to the University if required.

## **Arden University Limited**

### **Directors' Report for the Year Ended 31 May 2025**

#### **Directors' liabilities**

The University purchased and maintained throughout the financial year and up to the date of signing, Directors' and Officers' Liability Insurance in respect of itself and the directors.

#### **Matters covered in the Strategic Report**

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (S414C (11) Companies Act 2006) certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report. These matters relate to the principal risks and uncertainties. Financial risk management is also referenced within the Strategic Report above, as is how the University engages with stakeholders and employees, and branches outside the UK.

#### **Important non adjusting events after the financial year end**

On 26 June 2025, the University's intermediate parent company GAH Education Holding Limited signed an agreement for the disposal of 50% of its shareholding in the University's immediate parent company AU Bidco Limited. The transaction completed on 13 October 2025 following approval from regulatory authorities.

As such, Arden University Limited's ultimate parent companies and controlling parties are now jointly Global University System Holdings BV and Brightstar Capital Partners. The management of the University welcome the opportunity for further growth and enhanced capabilities that will ultimately support our aim of providing students with the best experience possible during their time with Arden University.

In August 2025, the Directors of the University, via a special resolution, made a solvency statement in accordance with Section 643 of the Companies Act 2006 in order to reduce the company's share capital from £12,720,481 to £1, by reducing the nominal value of each ordinary share in the capital of the company from £1.00 to £0.00000008.

The Directors of the University also made an ordinary resolution, such that subject to the above special resolution being passed and the capital reduction becoming effective, a distribution be declared and made by the company to its immediate parent company, AU Bidco Limited, consisting of the release of £141,700,000 of debt owed to the company, pursuant to a unilateral promissory loan note issued by Interactive Pro Limited.

Upon completion of the above transaction, an agreement was signed for Arden Bidco Limited, the immediate parent company of AU Bidco Limited, to access financing in the form of a £45 million revolver facility and a £530 million external loan. The intention is for Arden University Limited to become the obligor or guarantor for the financing arrangements, which are not expected to give rise to any going concern or liquidity issues in future.

#### **Corporate governance**

The corporate governance statement has been included within the Strategic Report due to its strategic importance.

#### **Reappointment of auditors**

Pursuant to Section 487 of the Companies Act 2006, the external auditor will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

## **Arden University Limited**

### **Directors' Report for the Year Ended 31 May 2025**

#### **Liability limitation agreements**

The directors have agreed with the University's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the University's financial statements for the year to 31 May 2025 should be limited to the greater of £5 million or 5 times the auditor's fees, and that in any event the auditor's liability for damages should be limited to that part of any loss suffered by the University as is just and equitable having regard to the extent to which the auditor, the University and any third parties are responsible for the loss in question. The shareholders approved this limited liability agreement, as required by the Companies Act 2006, by a resolution dated 12 August 2025.

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and 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.

## Arden University Limited


### Directors' Report for the Year Ended 31 May 2025

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

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

The financial statements on pages 19 to 48 were approved and authorised by the Board of Directors on 27 October 2025 and signed on its behalf by:

.....  ....  
C R Lygo  
Director



## **Arden University Limited**

### **Independent Auditors' Report to the Members of Arden University Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, Arden University Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 May 2025 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- have been properly prepared in accordance with the requirements of the Office for Students' Accounts Direction (OfS 2019.41); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 31 May 2025; the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Independence**

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

## **Arden University Limited**

### **Independent Auditors' Report to the Members of Arden University Limited**

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Strategic Report and Director's Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 May 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor 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 auditors' 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.

## **Arden University Limited**

### **Independent Auditors' Report to the Members of Arden University Limited**

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Office for Students' regulatory framework, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Office for Students' Accounts Direction (OfS 2019.41), tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial results or making inappropriate accounting estimates. Audit procedures performed by the engagement team included:

- Confirmation and enquiry of management and those charged with governance around known or suspected instances of non-compliance with laws and regulations, including consideration of actual or potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Identifying and testing unusual journal entries;
- Challenging assumptions and judgements made by management in determining significant accounting estimates; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Other required reporting**

##### **Opinions on other matters prescribed in the Office for Students' Accounts Direction (OfS 2019.41)**

In our opinion, in all material respects:

- funds from whatever source administered by the company for specific purposes have been properly applied to those purposes and, if relevant, managed in accordance with relevant legislation;
- funds provided by the Office for Students have been applied in accordance with the relevant terms and conditions.

## Arden University Limited

### Independent Auditors' Report to the Members of Arden University Limited

Under the Office for Students' Accounts Direction, we are required to report to you, if we have anything to report in respect of the following matters:

- The company's grant and fee income, as disclosed in note 3 to the financial statements, has been materially misstated; or
- The company's expenditure on access and participation activities for the financial year, as disclosed in note 5 to the financial statements, has been materially misstated.

We have no matters to report arising from this responsibility.

#### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Liesal Ackerman (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham

27 October 2025

## Arden University Limited

### Consolidated Profit and Loss Account for the Year Ended 31 May 2025

	Note	2025 12 months £ 000	2024 12 months £ 000
Turnover	3	241,467	189,437
Cost of sales		<u>(46,578)</u>	<u>(41,879)</u>
Gross profit		194,889	147,558
Administrative expenses		<u>(116,232)</u>	<u>(94,143)</u>
Operating profit	5	<u>78,657</u>	<u>53,415</u>
Interest receivable and similar income	8	8,923	5,687
Interest payable and similar expenses	9	<u>(13)</u>	<u>(311)</u>
		<u>8,910</u>	<u>5,376</u>
Profit before tax		87,567	58,791
Tax on profit	10	<u>(22,896)</u>	<u>(15,089)</u>
Profit for the financial year		<u><u>64,671</u></u>	<u><u>43,702</u></u>

The above results were derived from continuing operations.

The group has no recognised gains or losses for the year other than the results above.

The notes on pages 26 to 48 form an integral part of these financial statements.

## Arden University Limited

### Consolidated Statement of Comprehensive Income for the Year Ended 31 May 2025

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Profit for the year	64,671	43,702
Foreign currency translation gains	<u>8</u>	<u>97</u>
Total comprehensive income for the year	<u><u>64,679</u></u>	<u><u>43,799</u></u>

The notes on pages 26 to 48 form an integral part of these financial statements.

# Arden University Limited

(Registration number: 02450180)

## Consolidated and Company Balance Sheet as at 31 May 2025

		Consolidated		Company	
	Note	2025 £ 000	2024 £ 000	2025 £ 000	2024 £ 000
<b>Fixed assets</b>					
Intangible assets	11	24,456	17,710	24,456	17,710
Tangible assets	12	10,531	10,660	10,531	10,660
Investments	13	-	-	317	317
		<u>34,987</u>	<u>28,370</u>	<u>35,304</u>	<u>28,687</u>
<b>Current assets</b>					
Debtors	14	243,268	145,056	243,268	145,056
Cash at bank and in hand	15	<u>30,688</u>	<u>42,093</u>	<u>30,669</u>	<u>42,074</u>
		273,956	187,149	273,937	187,130
<b>Creditors:</b> Amounts falling due within one year	16	<u>(143,242)</u>	<u>(113,597)</u>	<u>(143,551)</u>	<u>(113,906)</u>
<b>Net current assets</b>		<u>130,714</u>	<u>73,552</u>	<u>130,386</u>	<u>73,224</u>
<b>Total assets less current liabilities</b>		165,701	101,922	165,690	101,911
<b>Creditors:</b> Amounts falling due after more than one year	16	(25)	(86)	(25)	(86)
<b>Provisions for liabilities</b>	10	<u>(793)</u>	<u>(1,632)</u>	<u>(793)</u>	<u>(1,632)</u>
<b>Net assets</b>		<u>164,883</u>	<u>100,204</u>	<u>164,872</u>	<u>100,193</u>
<b>Capital and reserves</b>					
Called up share capital	18	12,720	12,720	12,720	12,720
Capital contribution reserve		10,228	10,228	10,228	10,228
Retained earnings		<u>141,935</u>	<u>77,256</u>	<u>141,924</u>	<u>77,245</u>
Total Shareholders' funds		<u>164,883</u>	<u>100,204</u>	<u>164,872</u>	<u>100,193</u>

The notes on pages 26 to 48 form an integral part of these financial statements.

**Arden University Limited**

**(Registration number: 02450180)**

**Consolidated and Company Balance Sheet as at 31 May 2025**

The group's profit was equal to that of the company in the years to 31 May 2025 and 31 May 2024 respectively.

The financial statements were approved and authorised by the Board on 27 October 2025 and signed on its behalf by:



.....  
C R Lygo  
Director

The notes on pages 26 to 48 form an integral part of these financial statements.



# Arden University Limited

## Consolidated and Company Statement of Changes in Equity for the Year Ended 31 May 2025

	Share capital £ 000	Capital contribution reserve £ 000	Retained earnings £ 000	Total £ 000
<b>Consolidated</b>				
At 1 June 2023	12,720	10,228	33,457	56,405
Profit for the year	-	-	43,702	43,702
Currency translation differences	-	-	97	97
At 31 May 2024	12,720	10,228	77,256	100,204
		Capital contribution reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 June 2024	12,720	10,228	77,256	100,204
Profit for the year	-	-	64,671	64,671
Currency translation differences	-	-	8	8
At 31 May 2025	12,720	10,228	141,935	164,883
		Capital contribution reserve £ 000	Retained earnings £ 000	Total £ 000
<b>Company</b>				
At 1 June 2023	12,720	10,228	33,446	56,394
Profit for the year	-	-	43,702	43,702
Currency translation differences	-	-	97	97
At 31 May 2024	12,720	10,228	77,245	100,193
		Capital contribution reserve £ 000	Retained earnings £ 000	Total £ 000
At 1 June 2024	12,720	10,228	77,245	100,193
Profit for the year	-	-	64,671	64,671
Currency translation differences	-	-	8	8
At 31 May 2025	12,720	10,228	141,924	164,872

The notes on pages 26 to 48 form an integral part of these financial statements.

## Arden University Limited

### Consolidated Statement of Cash Flows for the Year Ended 31 May 2025

	Note	2025 £ 000	2024 (restated) £ 000
<b>Cash flows from operating activities</b>			
Profit for the year		64,671	43,702
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	6,352	4,437
Loss on disposal of tangible assets	4	-	301
Finance income	8	(8,923)	(5,687)
Finance costs	9	13	311
Income tax expense	10	22,896	15,089
Currency translation differences		8	97
		85,017	58,250
Working capital adjustments			
(Increase)/decrease in trade debtors	14	(5,630)	858
Increase in trade creditors	16	27,693	25,143
Cash generated from operations		107,080	84,251
Income taxes paid	10	(21,782)	(20,069)
Net cash flow from operating activities		85,298	64,182
<b>Cash flows from investing activities</b>			
Acquisitions of tangible assets		(3,455)	(6,977)
Acquisition of intangible assets	11	(9,513)	(10,900)
Repayments from Group companies	2	54,838	43,936
Advances to Group companies	2	(138,500)	(55,500)
Net cash flows from investing activities		(96,630)	(29,441)
<b>Cash flows from financing activities</b>			
Interest paid	9	(13)	(311)
Receipts from finance lease debtors		-	164
Payments to finance lease creditors		(60)	(72)
Net cash flows from financing activities		(73)	(219)
Net (decrease)/increase in cash and cash equivalents		(11,405)	34,522
Cash and cash equivalents at 1 June		42,093	7,571
Cash and cash equivalents at 31 May		30,688	42,093

Further information relating to the prior year restatement can be found in Note 2 of the financial statements.

The notes on pages 26 to 48 form an integral part of these financial statements.

## **Arden University Limited**

All notes reflect the group and company position with the exception of Investments (Note 13), Cash at bank and in hand (Note 15) and Creditors (Note 16). Both the consolidated group and company positions are detailed in these notes.

The notes on pages 26 to 48 form an integral part of these financial statements.

# Arden University Limited

## Notes to the Financial Statements for the Year Ended 31 May 2025

### 1 General information

The address of its registered office is:

Arden House  
Middlemarch Park  
Coventry  
CV3 4FJ  
England

Arden University Limited is a private company, limited by shares, registered and incorporated in the United Kingdom.

These financial statements were authorised for issue by the Board on 27 October 2025.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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.

#### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

#### Basis of preparation

The financial statements were prepared under the historical cost convention. Compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. No parent company profit and loss has been prepared as the company has taken the exemption under Section 408 of the Companies Act. The company has also elected to apply the exemption under FRS 102 Section 33, Related Party Disclosures from disclosing related party transactions with its wholly owned subsidiaries.

The following principal accounting policies have been applied consistently:

#### Consolidated financial statements

The financial statements contain information about Arden University Limited and its subsidiaries and contain consolidated financial information as the parent of a group.

All intra-group transactions, balances, income and expenses with subsidiaries are eliminated on consolidation. Detail on the consolidated subsidiaries are given in the notes to the financial statements.

## **Arden University Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **Going concern**

The financial statements have been prepared under the going concern concept which assumes that the company will be able to meet its liabilities when they fall due, at least from 12 months of signing and for the foreseeable future. In drawing this conclusion the directors have prepared detailed cash flow forecasts and have considered sensitivities and risks in this process, including considering a severe but plausible downside scenario, under which the group is able to meet its obligations as they fall due. In addition, a revolver facility is in place with funds available to the University if required.

#### **Foreign currency translation**

##### **Functional and presentational currency**

The company's functional and presentational currency is GBP and figures are rounded to the nearest £1,000.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'administrative costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

##### **Consolidation**

The trading results of subsidiary undertakings are translated into GBP at the average exchange rates for the year. The assets and liabilities of overseas subsidiaries, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year-end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income'.

## **Arden University Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **Revenue recognition**

Income is recognised in correlation to the constituent parts of courses provided by the company as either principal or as agent. Incremental costs to acquire a revenue contract are deferred and amortised over the period commensurate with the contract value.

There is one main stream of revenue (tuition fees) that is delivered in the following five ways:

- Distance Learning consists of students studying remotely through accessing content online and completing assessments electronically. Revenue is recognised over the period of study for modules;
- Blended Learning consists of students studying through a mixture of classroom tuition and remotely accessing content online, and completing both online and classroom based assessment. Revenue is recognised over the period of study for modules;
- Student Recruitment services consist of recruiting students to Distance Learning courses provided by external parties and receiving a fee for this service. Revenue is recognised when the student commences the course;
- Annual registration Fees are payable on some Distance Learning courses. This revenue is recognised evenly over the associated 12 month registration period; and
- Apprenticeships relate to Government approved apprenticeships where students study through a mixture of classroom and online study. Revenue is recognised over the period of study.

From a geographical standpoint, revenue is generated in both the UK and Berlin branches of Arden University Limited. This has been disaggregated in the notes to these financial statements.

Estimates and judgements 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. As detailed below, the most significant judgement relates to the intensity at which both Blended and Distance Learning students study.

The University also receives grant income from the Office for Students. This is recognised as revenue on a monthly basis, spread over the academic year to which it relates.

#### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

#### **Leases**

Operating leases are written off to the profit and loss account on a remittance basis. Future obligations under these leases are shown in the notes to the financial statements.

#### **Finance income and costs policy**

Interest income is recognised in profit or loss using the effective interest method.

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### **Defined contribution pension obligation**

Arden University Limited operates a defined contribution pension scheme whereby it makes contributions to insurance companies to enable them to provide retirement benefits for certain directors and employees of the University. The pension contributions made by the University under these arrangements (stated net of the personal contributions received from the individual directors/employees) are shown in the notes to the financial statements.

#### **Commission costs**

Commission costs are amortised on a monthly basis over the expected study period. This provides reliable and relevant information as it more appropriately allocates the costs based on the service it relates to, being the study period.

#### **Tax**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The University does not account for deferred tax on top-up taxes therefore these rules have had no deferred tax accounting impact.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### **Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided at the annual rate of 20% on cost in order to write off each asset over its estimated useful life.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. This involves liaison with appropriate business units to determine if any impairment triggers exist, at which point the asset would be impaired as appropriate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### **Tangible assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### **Depreciation**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### **Asset class**

Furniture, fittings and equipment

Computer equipment

#### **Depreciation method and rate**

Straight line over 3-8 years or over lease term where shorter

Straight line over 3-5 years



## **Arden University Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **Valuation of Investments**

Investments are stated at historical cost less any accumulated impairment losses. The investments' estimated net realisable values are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

#### **Debtors**

Short term debtors, including trade and other debtors, are measured at transaction price, less any impairment. Loans receivable, including amounts owed by group undertakings, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment. Prepayments and accrued income are initially measured at transaction price and are expensed to the profit or loss in line with the relevant expense period.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

## **Arden University Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **Creditors**

Trade payables, including amounts owed to group undertakings, are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Accruals, including taxation and social security, income tax and pension costs, are initially measured at transaction price, expensed to the profit or loss in line with the relevant expense period and held until the liability is settled. Deferred income is recognised at transaction price and is released to the profit or loss via revenue recognition in line with the University's 'Revenue recognition' accounting policy above.

Other creditor items, including bank loans and finance leases, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### **Financial instruments**

The University has applied sections 11 and 12 of FRS 102 in respect of recognition and measurement of financial instruments.

#### **Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Further detail is given in the 'Debtors' and 'Cash and cash equivalents' sections above.

#### **Financial liabilities**

Basic financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Further detail is given in the 'Creditors' section above.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### **Prior period restatements**

During the year, management identified that cash flows relating to loans advanced to related parties in the company's separate consolidated statement of cash flows had been presented on a net basis and classified as operating activities. Under FRS 102, these cash flows should be presented on a gross basis within investing activities.

The company has reclassified these amounts and presented them as gross cash inflows and outflows within investing activities. The comparative amounts have also been restated.

		Reported £'000	Adj. £'000	Restated £'000
<b>Cash flow from operating activities</b>	<b>Note</b>			
Profit for the year		43,702	-	43,702
Adjustment to cash flows from non-cash items				
Depreciation and amortisation	5	4,437	-	4,437
Loss on disposal of tangible assets	4	301	-	301
Finance income	8	(5,687)	-	(5,687)
Finance costs	9	311	-	311
Income tax expense	10	15,089	-	15,089
Foreign exchange gains		97	-	97
		<hr/> 58,250	<hr/> -	<hr/> 58,250
Working capital adjustments				
Decrease in trade debtors	14	858	-	858
Increase in trade creditors	16	25,143	-	25,143
Movement in amounts owed by Group companies		(11,564)	11,564	-
		<hr/> 72,687	<hr/> 11,564	<hr/> 84,251
Cash generated from operations		72,687	11,564	84,251
Income taxes paid	10	(20,069)	-	(20,069)
Net cash flow from operating activities		<hr/> 52,618	<hr/> 11,564	<hr/> 64,182
<b>Cash flows from investing activities</b>				
Acquisition of tangible assets		(6,977)	-	(6,977)
Acquisition of intangible assets	11	(10,900)	-	(10,900)
Advances to Group companies		-	(55,500)	(55,500)
Repayments from Group companies		-	43,936	43,936
		<hr/> (17,877)	<hr/> (11,564)	<hr/> (29,441)
Net cash flows from investing activities		<hr/> (17,877)	<hr/> (11,564)	<hr/> (29,441)
<b>Cash flows from financing activities</b>				
Interest paid		(311)	-	(311)
Drawdown of finance leases		164	-	164
Payments to finance lease creditors		(72)	-	(72)
		<hr/> (219)	<hr/> -	<hr/> (219)
Net cash flows from financing activities		<hr/> (219)	<hr/> -	<hr/> (219)
Net increase in cash and cash equivalents		34,522	-	34,522
Cash and cash equivalents at 1 June 2023		7,571	-	7,571
Cash and equivalents at 31 May 2024		<hr/> 42,093	<hr/> -	<hr/> 42,093

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### **Judgements and estimation**

Management perform regular reviews and analysis to ensure the assumptions reflect the best estimates and to ensure revenue recognition under the model is consistent with FRS 102.

#### **Study intensity**

Distance Learning is a part time form of study. Modules are completed at half the study intensity on average of a full-time course. Key assumptions are that revenue is recognised on a per module basis assuming study periods are between 3 and 6 months and 8 months for dissertations. Where study periods cross the end of an accounting period income is recognised on a pro rata basis. Blended Learning courses are on a full-time basis and are a mixture of online access to material and classroom engagement. Programmes have a set timetable over three semesters per year. Key assumptions are that revenue is recognised per semester based on fees paid. Where study periods cross the end of an accounting period income is recognised on a pro rata basis.

The key financial statement captions impacted by this estimate are revenue and deferred income.

#### **Assessment of amortisation period for deferred commission costs**

In assessing the period for which costs paid to a third party to acquire new students should be amortised, this is deemed to be the study period for which the student has been recruited.

#### **Debtor provisioning**

Quarterly reviews of debtor balances take place to assess debtors against defined rules (based on ageing) for potential doubtful debts, which drives the provisioning.

Where a commercial decision has been taken to allow a student to begin studying before the desired source of funding has been secured, the University reverses any provisioning increases out of revenue to acknowledge the material change in the likelihood of receiving the economic benefits associated with the transaction.

#### **Assets useful lives**

For both tangible and intangible assets, residual values, useful lives and amortisation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. This is performed in liaison with appropriate business units to ensure our accounting policies reflect usage of assets.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 3 Turnover

The analysis of the group and company's turnover for the year by market is as follows:

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
UK	229,226	180,974
Europe	<u>12,241</u>	<u>8,463</u>
	<u><u>241,467</u></u>	<u><u>189,437</u></u>

Total turnover is split between fee income of £235,246k (2024: £184,553k) and grant income received from OFS of £6,219k (2024: £4,881k). £2k of research income was also received for the year ended 31 May 2025 (2024: £2k).

#### 4 Other gains and losses

The analysis of the group and company's other gains and losses for the year is as follows:

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Loss on disposal of tangible assets	<u>-</u>	<u>(301)</u>

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 5 Operating profit

The operating profit is stated after charging:

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Depreciation - owned assets	3,446	2,786
Depreciation - assets on hire purchase contracts	138	131
Amortisation of intangible assets	2,768	1,519
Auditors' remuneration - audit fees	473	468
Operating lease rentals - land and buildings	4,074	2,689
Operating lease rentals - equipment	18	41
	<u>10,917</u>	<u>7,634</u>

Non- audit fees of £nil (2024: £532k) were paid to the University's auditors for services performed in relation to corporate finance activities.

The University incurred £3,528k on Access and Participation Plan initiatives in the year (2024: £3,547k) of which £1,968k (2024: £2,213k) related to salaries for the year ended 31 May 2025.

	<b>2025</b> <b>12 months</b> <b>£ 000s</b>	<b>2024</b> <b>12 months</b> <b>£ 000s</b>
Access investment	2,641	2,515
Financial support investment	887	1,032
<b>Total access and participation investment</b>	<u>3,528</u>	<u>3,547</u>

The latest copy of the University's Access and Participation Plan can be found on the University's website.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Wages and salaries	64,960	54,102
Social security costs	7,836	6,184
Other pension costs	5,053	4,190
	<u>77,849</u>	<u>64,476</u>

Payroll costs above are shown gross and prior to any recharges for capitalised costs. Capitalised staff costs amount to £3,935k in the 12 months to 31 May 2025 (2024: £6,348k).

The monthly average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	<b>2025</b> <b>No.</b>	<b>2024</b> <b>No.</b>
Total staff	<u>1,312</u>	<u>1,131</u>

Of the above, 524 (2024: 427) were teaching staff, 637 (2024: 548) were support staff and 151 (2024: 156) were sales and marketing staff.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 7 Directors' remuneration

	2025 12 months £ 000	2024 12 months £ 000
Directors' emoluments	483	532

Directors' emoluments for FY25 related to 4 directors (2024: 4).

All staff are employed within the parent company (Arden University Limited).

During the year no retirement benefits accrued to directors (2024: £ nil) in respect of defined contribution pension schemes.

The highest paid director earned remuneration of £285k for the 12 months ended May 2025 (2024: £367k).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £ nil (2024: £ nil).

The value of share options exercised by the highest paid director amounted to £ nil (2024: £ nil) and the value of shares received, or receivable, by that director in respect of qualifying services under a long term incentive scheme amounted to £ nil (2024: £ nil).

#### Key management personnel of the company

Key management personnel received compensation totalling £2,238k (2024: £2,204k).

Senior staff pay (annualised)	2025 No.	2024 No.
£100,000 to £104,999	2	4
£105,000 to £109,999	2	1
£110,000 to £114,999	1	2
£125,000 to £129,999	1	-
£130,000 to £134,999	-	1
£140,000 to £144,999	1	-
£150,000 to £154,999	2	2
£180,000 to £ 184,999	1	1
£235,000 to £239,999	1	1
	11	12



## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 7 Directors' remuneration (continued)

Professor Carl Lygo earned the following remuneration in his role as Vice-Chancellor & CEO:

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Salary	239	231
Bonus	46	136
	<u>285</u>	<u>367</u>

Professor Carl Lygo was appointed Vice-Chancellor & CEO on 11 April 2019. All remuneration in relation to Directors is determined by the University's remuneration committee.

Relationship between the Head of Provider's remuneration and other staff:

- (i) The Head of Provider's basic salary is 6.0 times (2024: 6.0 times) the median pay of staff, where the median pay is calculated on a full time equivalent basis for the salaries paid by the provider to the staff.
- (ii) The Head of Provider's total remuneration is 7.2 times (2024: 9.6 times) the median total remuneration of staff, where the median total remuneration is calculated on a full time equivalent basis for the total remuneration paid by the provider to the staff.

#### 8 Interest receivable and similar income

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Amounts receivable from group undertakings	<u>8,923</u>	<u>5,687</u>

#### 9 Interest payable and similar expenses

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Interest on bank overdrafts and borrowings	<u>13</u>	<u>311</u>

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 10 Tax on profit

Tax charged/(credited) in the profit and loss account

	2025 12 months £ 000	2024 12 months £ 000
<b>Current taxation</b>		
UK corporation tax	21,865	14,034
UK corporation tax adjustment to prior periods	1,298	294
	<u>23,163</u>	<u>14,328</u>
Foreign tax	573	130
Total current income tax	<u>23,736</u>	<u>14,458</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	349	835
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	(1,189)	(204)
Total deferred taxation	<u>(840)</u>	<u>631</u>
Tax expense in the income statement	<u>22,896</u>	<u>15,089</u>

No changes to the UK standard corporation tax rate have been enacted during the financial year. Therefore, our corporation tax and deferred taxes have been calculated using the 25% rate.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 10 Tax on profit (continued)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2024 - higher than the standard rate of corporation tax in the UK) of 25% (2024 - 25%).

The differences are reconciled below:

	<b>2025</b> <b>12 months</b> <b>£ 000</b>	<b>2024</b> <b>12 months</b> <b>£ 000</b>
Profit before tax	87,567	58,791
Profit before tax multiplied by std rate of corporation tax in the UK of 25% (2024: 25%)	21,892	14,698
Effect of expense not deductible in determining taxable profit (tax loss)	619	244
Deferred tax credit from unrecognised temporary difference from a prior period	(1,189)	(204)
Increase in UK and foreign current tax from adjustment for prior periods	1,297	294
Tax increase from effect of capital allowances and depreciation	277	57
Total tax charge	22,896	15,089
<b>Deferred tax</b>		
Deferred tax assets and liabilities		
<b>2025</b>	<b>Asset</b> <b>£ 000</b>	<b>Liability</b> <b>£ 000</b>
Deferred tax liability	-	793
	-	793
<b>2024</b>	<b>Asset</b> <b>£ 000</b>	<b>Liability</b> <b>£ 000</b>
Deferred tax liability	-	1,632
	-	1,632

The deferred tax balance primarily relates to fixed asset timing differences and are expected to unwind over the next three to five years.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 11 Intangible assets

	Goodwill £ 000	Software development £ 000	Library and database £ 000	Website development costs £ 000	Work in progress £ 000	Total £ 000
<b>Cost or valuation</b>						
At 1 June 2024	14	2,415	6,817	362	11,896	21,504
Additions	-	-	56	-	9,458	9,514
Disposals	-	(169)	(632)	(180)	-	(981)
Transfers	-	14,691	1,701	-	(16,392)	-
	<u>14</u>	<u>16,937</u>	<u>7,942</u>	<u>182</u>	<u>4,962</u>	<u>30,037</u>
At 31 May 2025						
<b>Accumulated amortisation</b>						
At 1 June 2024	14	1,569	1,955	256	-	3,794
Charge for the year	-	1,343	1,395	30	-	2,768
Eliminated on disposal	-	(169)	(632)	(180)	-	(981)
	<u>14</u>	<u>2,743</u>	<u>2,718</u>	<u>106</u>	<u>-</u>	<u>5,581</u>
At 31 May 2025						
<b>Carrying amount</b>						
At 31 May 2025	<u>-</u>	<u>14,194</u>	<u>5,224</u>	<u>76</u>	<u>4,962</u>	<u>24,456</u>
At 31 May 2024	<u>-</u>	<u>846</u>	<u>4,860</u>	<u>107</u>	<u>11,897</u>	<u>17,710</u>

The in-year additions to the 'Work in progress' balance primarily relate to the University's continued investment in software required to improve student experiences, with significant investment having taken place in recent years.

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 12 Tangible assets

	Furniture, fittings and equipment £ 000	Assets under construction £ 000	Computer equipment £ 000	Total £ 000
<b>Cost or valuation</b>				
At 1 June 2024	11,130	-	6,441	17,571
Additions	581	2,235	639	3,455
Transfers	6	(6)	-	-
Disposals	(43)	-	(49)	(92)
At 31 May 2025	<u>11,674</u>	<u>2,229</u>	<u>7,031</u>	<u>20,934</u>
<b>Accumulated depreciation</b>				
At 1 June 2024	3,449	-	3,462	6,911
Charge for the year on owned assets	2,202	-	1,244	3,446
Charge for the year on financed assets	-	-	138	138
Eliminated on disposal	(43)	-	(49)	(92)
At 31 May 2025	<u>5,608</u>	<u>-</u>	<u>4,795</u>	<u>10,403</u>
<b>Carrying amount</b>				
At 31 May 2025	<u><u>6,066</u></u>	<u><u>2,229</u></u>	<u><u>2,236</u></u>	<u><u>10,531</u></u>
At 31 May 2024	<u><u>7,681</u></u>	<u><u>-</u></u>	<u><u>2,979</u></u>	<u><u>10,660</u></u>

The additions to 'Assets under construction' during the year relate to investment in new study centres, as part of the University's ongoing growth plans.

#### Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

2025	2024
£ 000	£ 000
<u><u>192</u></u>	<u><u>330</u></u>

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 13 Investments

	2025 £ 000	2024 £ 000
Investments in subsidiaries	317	317
<b>Subsidiaries</b>		<b>£ 000</b>
<b>Cost or valuation</b>		
At 1 June 2024 and 31 May 2025		317
<b>Carrying amount</b>		
At 31 May 2025		317
At 31 May 2024		317

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held		
			2025	2024	
Subsidiary undertakings					
Resource Development International Limited	Arden House, Middlemarch Park, Siskin Drive, Coventry, CV3 4FJ United Kingdom	Ordinary	100%	100%	
The Institute Of Business and Management Limited	Arden House, Middlemarch Park, Siskin Drive, Coventry, CV3 4FJ United Kingdom	Ordinary	100%	100%	
Arden University GmbH	Dessauer Strasse 3-5, 10963, Berlin Germany	Ordinary	100%	100%	

## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 13 Investments (continued)

##### Subsidiary undertakings

###### *Resource Development International Limited*

The principal activity of Resource Development International Limited is non-trading. The profit for the prior and current financial years was £- and the aggregate amount of capital and reserves at the end of the prior and current financial years was £309k.

###### *The Institute Of Business and Management Limited*

The principal activity of The Institute Of Business and Management Limited is non-trading.

###### *Arden University GmbH*

The principal activity of Arden University GmbH is non-trading. The profit for the prior and current financial years was £- and the aggregate amount of capital and reserves at the end of the prior and current financial years was £19k.

The company also maintains branches in Berlin, Germany and Prague, Czech Republic.

#### 14 Debtors

	Note	2025 £ 000	2024 £ 000
Trade debtors		40,590	36,753
Amounts owed by group undertakings	19	173,545	80,960
Prepayments and accrued income		29,133	27,343
		<u>243,268</u>	<u>145,056</u>

Amounts owed by group undertakings are unsecured and have no fixed date of repayment and are repayable on demand. Interest is charged on the amounts borrowed (£153,180k as at 31 May 2025 (2024: £69,680k)) by Global University Systems BV at a rate of SONIA+4.25% and other intercompany balances are interest free. Interest receivable totalled £8,923k for the year to 31 May 2025 (2024: £5,687k).

#### 15 Cash at bank and in hand

Consolidated	2025 £ 000	2024 £ 000
Cash at bank and in hand	<u>30,688</u>	<u>42,093</u>

Company	2025 £ 000	2024 £ 000
Cash at bank and in hand	<u>30,669</u>	<u>42,074</u>

# Arden University Limited

## Notes to the Financial Statements for the Year Ended 31 May 2025

### 16 Creditors

<b>Consolidated</b>	<b>Note</b>	<b>2025 £ 000</b>	<b>2024 £ 000</b>
<b>Due within one year</b>			
Finance leases		60	60
Trade creditors		2,709	3,628
Amounts owed to group undertakings	19	4,253	2,074
Taxation and social security		2,491	1,762
Outstanding defined contribution pension costs		492	439
Other creditors		500	241
Income tax liability	10	3,427	2,313
Accruals		31,121	30,936
Deferred income		98,189	72,144
		<u>143,242</u>	<u>113,597</u>
<b>Due after one year</b>			
Finance leases		<u>25</u>	<u>86</u>
		<b>2025</b>	<b>2024</b>
		<b>£ 000</b>	<b>£ 000</b>
<b>Company</b>			
<b>Due within one year</b>			
Finance leases		60	60
Trade creditors		3,018	3,937
Amounts owed to group undertakings	19	4,253	2,074
Taxation and social security		2,491	1,762
Outstanding defined contribution pension costs		492	439
Other creditors		500	241
Income tax liability	10	3,427	2,313
Accruals		31,121	30,936
Deferred income		98,189	72,144
		<u>143,551</u>	<u>113,906</u>
<b>Due after one year</b>			
Finance leases		<u>25</u>	<u>86</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.



## Arden University Limited

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 17 Obligations under leases and hire purchase contracts

##### Finance leases

The total of future minimum lease payments is as follows:

	2025 £ 000	2024 £ 000
Not later than one year	60	60
Later than one year and not later than five years	25	86
	<u>85</u>	<u>146</u>

##### Operating leases

The total of future minimum lease payments is as follows:

	2025 £ 000	2024 £ 000
Not later than one year	4,978	4,015
Later than one year and not later than five years	20,941	11,956
Later than five years	24,897	72
	<u>50,816</u>	<u>16,043</u>

#### 18 Called up share capital

##### Allotted, called up and fully paid shares

	2025 No. 000	£ 000	2024 No. 000	£ 000
Ordinary shares of £1 each	<u>12,720</u>	<u>12,720</u>	<u>12,720</u>	<u>12,720</u>

No dividends have been proposed or distributed for the period and up to the approval of the financial statements (2024: £nil).

#### 19 Related party transactions

The company has previously extended a revolver loan to Global University Systems BV, the ultimate parent company. The balance on this facility due from GUS at 31 May 2025 is £173,545k (2024: £80,960k), inclusive of interest accrued to date. Other amounts owed by the University to other group undertakings at 31 May 2025 are £4,253k (2024: £2,074k).

No management fees (2024: none) are charged between GUS and Arden University Limited and no remuneration (2024: none) is paid by GUS to the directors or employees of Arden University Limited for their services to the University.

## **Arden University Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **20 Relationship between entity and parents**

The parent of the largest group in which these financial statements are consolidated is Global University System Holdings BV, incorporated in The Netherlands.

The registered address of Global University System Holdings BV is:  
Passeerdersgracht 23, 1016XG Amsterdam

Global University System Holdings BV is therefore the ultimate parent company and controlling party of Arden University Limited.

The parent of the smallest group in which these financial statements are consolidated is AU Bidco Limited, incorporated in England and Wales.

The registered address of AU Bidco Limited is:  
30 Holborn, Buchanan House, London, England, EC1N 2HS

AU Bidco Limited is therefore the immediate parent company of Arden University Limited. Copies of the company's financial statements are available to view on Companies House.

See note 21 for details regarding the University's non-adjusting post balance sheet events.

#### **21 Non adjusting events after the financial year end**

On 26 June 2025, the University's intermediate parent company GAH Education Holding Limited signed an agreement for the disposal of 50% of its shareholding in the University's immediate parent company AU Bidco Limited. The transaction completed on 13 October 2025 following approval from regulatory authorities.

As such, Arden University Limited's ultimate parent companies and controlling parties are now jointly Global University System Holdings BV and Brightstar Capital Partners. The management of the University welcome the opportunity for further growth and enhanced capabilities that will ultimately support our aim of providing students with the best experience possible during their time with Arden University.

In August 2025, the Directors of the University, via a special resolution, made a solvency statement in accordance with Section 643 of the Companies Act 2006 in order to reduce the company's share capital from £12,720,481 to £1, by reducing the nominal value of each ordinary share in the capital of the company from £1.00 to £0.00000008.

The Directors of the University also made an ordinary resolution, such that subject to the above special resolution being passed and the capital reduction becoming effective, a distribution be declared and made by the company to its immediate parent company, AU Bidco Limited, consisting of the release of £141,700,000 of debt owed to the company, pursuant to a unilateral promissory loan note issued by Interactive Pro Limited.

Upon completion of the above transaction, an agreement was signed for Arden Bidco Limited, the immediate parent company of AU Bidco Limited, to access financing in the form of a £45 million revolver facility and a £530 million external loan. The intention is for Arden University Limited to become the obligor or guarantor for the financing arrangements, which are not expected to give rise to any going concern or liquidity issues in future.