LocatED Property Limited

Annual report and accounts

for the year ended 31 March 2026

Company Number 10385637

HC 543

LocatED Property Limited

A non-departmental public body

Annual Report and Accounts
for the year ended 31 March 2026

Presented to the House of Commons pursuant to section 7 of the Government Resources and Accounts Act 2000

Ordered by the House of Commons to be printed on 14 July 2026

HC 543

This publication is available at www.gov.uk/official-documents.
Any enquiries regarding this publication should be sent to us at alyson.gerner@education.gov.uk

ISBN 978-1-5286-6276-5

E03554014 07/26

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

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Chair's Statement

Mark Prisk. Board Chair

This will be my last statement as Chair, following the Government's decision to transfer the LocatED team into the Department for Education (DfE) and wind up the company.

It has been a great pleasure over the last two years to get to know the team and in seeing the real achievements they have made to improving schools and colleges and the communities they serve.

Whether in the buying and selling of land or buildings, the management of existing assets or running complex programmes such as the Great British Solar Energy Partnership Scheme, the team have continued to make considerable progress this year. To do this, despite the uncertainty caused by the transition, is particularly impressive.

I would like to take this opportunity to thank my fellow non-executive directors. Simon Holden and David Hunter have only had a year in office but have both brought much valued insight and experience to the Board and their respective board committees.

I want to particularly thank Caroline Tolhurst who has been on the Board from the start and who has been wise counsel to the leadership team, helping them shape the business. She has also been excellent in chairing the Audit committee, overseeing an often complex process.

The last year has been dominated by the decision to transfer the team back into the department. However, both the staff and the directors have worked hard to avoid being distracted from ensuring the operational work continues apace.

This means that since its inception in 2017 LocatED has managed over 340 sites in a constantly changing portfolio; acquired 246 sites for educational use; saved the taxpayer over £30m above Red Book Value on sites acquired; and is successfully delivering a £100m modernisation of the school estates benefitting over 250 schools.

Much of LocatED's success stems from its leadership. Lara Newman is an outstanding CEO, able to set a clear direction whilst enabling everyone to contribute. It is an environment in which people shine.

Lara is ably supported by Alyson Gerner and Julie Noble and as a management team they have always given the Board complete confidence in their strategy and delivery. This has been especially difficult in the last six months or so, as staff have faced uncertainty about their individual roles in the future. So, I would like to thank them especially for their leadership during this period.

I would also like to record my thanks to the staff for the professional way in which they have dealt with this uncertainty. My fellow directors and I have been concerned to ensure they are treated professionally and fairly and I hope that the new arrangements within the Department will enable them to fulfil their potential.

I am grateful to those in the Department, particularly the Sponsorship Team, for their support over the last year. I would also like to thank Jonathan Dewsbury in his role as our principal link into the Department.

The environment in which people learn matters, to both student and teacher alike. I believe that since 2017 LocatED has demonstrably improved that environment for thousands of students and for thousands yet to come. It’s a legacy in which every staff member can take real pride.

Chief Executive's perspective on performance

Lara Newman, Chief Executive

As LocatED's final year as an arm's-length body drew to a close, I am immensely proud to reflect on both our achievements during 2025-26 and the remarkable legacy we have built since our establishment in March 2017. This statement marks a significant milestone: the announcement in September 2025 that LocatED would transfer to the DfE in April 2026, bringing our time as an arm's-length body to a close. While this was not the outcome we had sought, we remained committed to ensuring that the expertise, innovation and values we have developed will continue to deliver exceptional value for the education estate within the DfE

Performance Highlights 2025-26

Delivering Core Operations

This year, LocatED has once again demonstrated its ability to deliver outstanding value across all our core operations. We successfully disposed of surplus sites generating receipts of £18.5 million, whilst securing planning consent for 670 new homes, contributing to the government's housing delivery targets.

Through our expert property advisory services, we delivered cost savings of £3 million for the education sector, while our strategic asset management approach resulted in total savings of £3.25 million on managed assets.

Advancing Sustainability and Decarbonisation

The Net Zero Accelerator programme reached a transformative stage this year. Building on our 2024-25 success in appointing delivery partners to manage decarbonisation interventions across two 25-school lots, we made substantial progress with the £100 million GB Energy and DfE funded programme launched in March 2025. This ambitious initiative is delivering decarbonisation projects across more than 250 schools, focusing on energy efficiency and generation projects deliverable within the 2025-26 financial year.

Our decarbonisation initiatives are forecasted to achieve energy savings of over 26 million KWh and reduce CO_2 emissions by 1,304 tonnes per year. The programme's recognition with the Sustainability award at the 2025 Government Property Awards reflects both the scale of ambition and the practical delivery excellence that has characterised our approach. These achievements demonstrate our tangible contribution to the government's net zero ambitions and the clean energy mission outlined in the government's Plan for Change.

Optimising the Education Estate

Our strategic property advice has continued to deliver substantial returns. LocatED advised on the disposal of a 40-acre site for Bramcote College in Nottingham, securing a capital receipt of £40m which will fund the delivery of a new, high-quality, sustainable school providing 750 secondary school places and 200 sixth-form places. The residential development of the site, when completed, will deliver 470 new homes, including 141 affordable homes, addressing a critical housing shortage in the local area. Our disposal strategy continues to generate significant capital receipts, returning vital funds to the DfE for reinvestment in education infrastructure.

LocatED's Legacy: Nine Years of Excellence (2017-2026)

Delivering Exceptional Value

Since our establishment in March 2017, LocatED has built an impressive record of delivering value for money and innovation across the education estate. The cumulative impact of our work tells a compelling story:

- Over 1,280 advice commissions delivered across schools, further education colleges, and other government departments
- £140 million+ in capital receipts generated from DfE disposals
- 29 site disposals achieved at an average of 22% above Red Book Value, delivering £28.5 million in additional value
- 246 site acquisitions completed at 94% of Red Book Value on average, saving £33.6 million
- £29.1 million in savings delivered on managed assets through innovative asset management
- 341 assets managed across England in our constantly evolving portfolio

Building for Communities

Our mixed-use development programme has demonstrated how education-led schemes can deliver multiple benefits for communities. Five projects (four completed, one in progress) will ultimately create:

- 3,500 school places in high-quality, sustainable buildings

- Over 140 new homes, including affordable housing
- Circa £7.6 million in land receipts for reinvestment in education
- Schools designed with community use and sustainability prioritised from the outset

The 'Building Up' initiative has showcased particular innovation, identifying self-funding rebuild projects for schools with condition needs in high-value residential areas. Our work with the Diocese of Southwark demonstrated the potential to fund new education facilities for six schools whilst delivering new homes – replacing ageing buildings with brand-new, climate-resilient facilities whilst minimising the loss of outdoor play space.

Leading on Sustainability

Our decarbonisation work has positioned LocatED as a leader in the government property sector. The Net Zero Accelerator programme, which won the Sustainability award at the 2025 Government Property Awards, has pioneered a comprehensive approach combining detailed decarbonisation planning, behavioural change programmes, and practical delivery of interventions, all underpinned by robust data collection and reporting.

Responding to Crises

When urgent challenges have threatened to disrupt children's education, LocatED has consistently demonstrated rapid response capabilities. Our support during the RAAC crisis saw us mobilise quickly to assist 106 schools, helping deliver 168 modular classrooms to enable face-to-face teaching to continue, alongside caseworker support and multiple off-site temporary solutions. This agility and commitment to minimising disruption to students' lives has been a hallmark of our approach.

Building Cross-Government Capability

LocatED's contribution has extended well beyond direct property delivery. We have played a significant role in building professional capability across the government property sector:

- The FE Estates Effective Practice Guide (2022), developed with the Further Education Commissioner, provides comprehensive guidance covering estate understanding, strategic planning, maintenance, performance management and project management

- 'Development of School Land' guidebook, helping schools and state-funded education bodies navigate complex development issues
- The Festival of Government Property, bringing together over 75 delegates from public and private sectors to explore crucial industry topics
- Cross-departmental support, including work with the Cabinet Office on the Emergency Planning College strategy, Place Pilots in Newham, secure children's homes, and NHS facility searches

Developing the Next Generation

Throughout our history, we have been committed to building talent for the property profession. Our apprenticeship and graduate programme earned us Platinum accreditation from the 5% Club, recognising our commitment to inclusive workplace training and earn-and-learn schemes. Our team members have won prestigious Government Property Awards, including both the Apprenticeship award and Rising Star awards.

Our outreach programme has raised awareness about property careers for young people from underprivileged backgrounds through school careers fairs, insight days, significant work experience programmes, and volunteering with mentoring partners.

Culture, Values and Our People

At the heart of LocatED's success has been our distinctive organisational culture. From the beginning, we have fostered an environment characterised by trust, psychological safety, and open communication. Our team of approximately 55 multidisciplinary professionals with specialist skills and extensive property sector experience has consistently chosen LocatED not only for the challenging work, but for the collaborative environment where ideas are valued and contributions recognised.

This culture is reflected in the remarkable continuity of our leadership and team. I have been privileged to lead LocatED from its earliest days – first as Managing Director during the set-up phase, and then as Chief Executive throughout our entire existence as an arm's-length body. Several colleagues have been with us since the very beginning, choosing to build their careers here and contributing to our growth and success over the full eight years. This stability speaks to the strength of what we have built together: an organisation where talented professionals want to stay.

We have empowered our people through a careful balance of support and autonomy, creating space for innovation while ensuring everyone feels secure in making decisions. This approach has been particularly evident in our rapid response capabilities – whether providing temporary accommodation solutions, delivering crucial property advice during times of urgency, or mobilising quickly to support schools facing unexpected challenges.

This organisational health reflects the strong sense of purpose that comes from making a tangible difference to the education estate and broader society. Whether delivering energy-saving initiatives that benefit future generations, repurposing spaces for community childcare needs, or finding creative solutions to complex property challenges, our people have consistently expressed pride in the meaningful impact of their work.

Commitment to Diversity and Inclusion

Throughout our existence, we have maintained a steadfast commitment to diversity, equality and inclusion. Our two key objectives – supporting a more diverse intake into the property and built environment professions, and increasing team awareness of all diversity and inclusion issues – have been promoted through numerous initiatives including early-career networking events, our apprenticeship scheme, work experience programmes, and participation on diversity and inclusion panels.

My continuing role as senior sponsor of the Government Property Profession Equality, Diversity and Inclusion Shadow Board – which has itself won Government Property Awards recognition – alongside colleagues' active membership, has enabled LocatED to work across government to promote and embed equality, diversity and inclusion in the profession. This work continues to benefit the wider property sector long after our transition to the DfE.

Community Impact and Social Value

Our partnership with YoungMinds, which began in 2022 and was extended to 2027, reflects our ongoing commitment to supporting young people's mental health. Through creative initiatives including charity auctions, fun run sponsorships, cookbooks, calendars and skills auctions, we have raised over £17,000 for the charity. These activities have not only generated valuable funds but have also strengthened the bonds within the LocatED community, demonstrating the collaborative spirit that has defined our organisation.

Looking Ahead: Transition and Continuity

The announcement in September 2025 that LocatED would transfer to the DfE in April 2026 marked a significant moment for our organisation. While this was not a change we had anticipated or sought, we approached the transition with the same professionalism and commitment to excellence that has characterised our work throughout. The expertise, capabilities, values and innovative approaches we have developed over eight years will continue to serve the education estate within the DfE structure.

This transition comes at a time when the education estate faces ongoing challenges and opportunities: continuing demographic changes requiring creative solutions for surplus space; the imperative to accelerate decarbonisation in line with net zero commitments; the need to maintain and improve ageing infrastructure; and the opportunity to deliver education-led mixed-use developments that serve multiple policy objectives simultaneously.

Our team's deep expertise in property strategy, acquisitions, disposals, asset management, development, and decarbonisation remains a vital resource for the education sector. The relationships we have built with schools, multi-academy trusts, further education colleges, local authorities, and other government departments positioned us well to continue supporting the sector through this transition and beyond.

I remain personally committed to ensuring a smooth integration that maintains continuity of services for all our partners and stakeholders and gives our people roles that continue to give them satisfaction and the sense of purpose that comes from making a tangible difference to the education estate. Existing projects and commitments continued to receive the same level of professional dedication and expertise that has characterised LocatED's approach since 2017. The values of innovation, collaboration, responsiveness, and unwavering focus on value for money endure within our new organisational home.

Closing Acknowledgements

As I reflect on LocatED's journey from establishment in March 2017 to integration with the DfE in April 2026, I am filled with gratitude and pride. My wholehearted thanks go to the LocatED team – past and present – whose dedication, expertise, collaborative spirit and commitment to excellence have delivered remarkable results for UK taxpayers and the education sector. Your professionalism, creativity, and genuine care for making a difference have been the foundation of everything we have achieved.

I extend my sincere appreciation to our Board members for their wise counsel and stewardship throughout LocatED's existence, and to our colleagues across the DfE and wider government for their partnership, support and trust in our capabilities.

Together, we have built something truly valuable: not just the impressive statistics of sites acquired and disposed of, homes delivered, carbon saved, or money returned to the public purse – as significant as these are – but a model for how innovative, agile, professional property expertise can serve the public good. We have demonstrated that a relatively small, specialist team empowered to operate with appropriate autonomy whilst maintaining strong accountability can deliver outsized impact.

As LocatED's chapter as an arm's-length body came to a close, I am confident that the legacy we built – of innovation, excellence, collaboration and unwavering commitment to the education estate – will continue to deliver value for students, schools, communities and taxpayers for years to come.

Statement of purpose and activities

LocatED has a Framework Document that has been agreed with the Department and sets out the broad framework within which LocatED operates. Each year the Department sets out the priorities for LocatED, including:

- Scope of work that the Department requires LocatED to carry out under each of these priorities; and
- The Department's commissioning expectations

All of this is detailed in the extant Annual Letter from the Minister, who is responsible for LocatED, to the Chair of LocatED's Board, setting out the objectives, funding and performance required each year including specific Key Performance Indicators. In 2025-26 LocatED was specifically responsible for achieving the following overall aims:

- Provide expert advice and support to the department informing the development of further policy.
- Manage land or property disposals and associated strategies, including work to advise on the opportunity for the disposal or redevelopment of surplus land or

reutilisation of surplus buildings to support other departmental and cross government priorities.

- Managing capital assets held to deliver other commercial activities and where appropriate potentially generating revenue.
- Maintaining compliance with the appropriate legislation for vacant sites and properties.
- LocatED will help implement the department's Education Estates Strategy by delivering elements of the Estates Management Pillar and the Condition, Resilience and Decarbonisation Pillar.

Founding legislation and status of LocatED, its duties and powers

LocatED is established by incorporation under the Companies Act 2006 and is registered in England and Wales. It is a private company limited by shares and is wholly owned by the Secretary of State for Education (the Secretary of State), for whom it is remitted to undertake work. LocatED is funded from the public purse by grant-in-aid from the Department and is a non-departmental public body (NDPB).

The Secretary of State appoints LocatED's Chair and Non-executive Directors. LocatED's duties and powers are specified in its Articles of Association (the Articles) and other governance documents, in particular the Framework Document entered into by the Department and LocatED.

The Department is responsible for decisions relating to LocatED's funding and control in relation to the provision of its services. LocatED's priorities and performance measures are set in light of the Secretary of State's powers to acquire land and invest in education.

LocatED must maintain proper accounts and prepare a set of annual accounts. The Directors are required to comply with duties concerning annual accounts under the Companies Act 2006.

Classification

LocatED has been classified to the central government sector. In practice this means that the annual accounts of LocatED are consolidated into the Department's accounts.

For policy/administrative purposes LocatED is classified as an NDPB.

Performance analysis

This section sets out LocatED's Key Performance Indicators (KPIs) for 2025-26. It shows how LocatED performed during the year.

- KPI1 - Quality of advice: An assessment of the quality of advice provided. This indicator measures the extent to which departmental colleagues and educational establishments agree that LocatED provides accurate and timely advice. The result in 2025-26 was rated exceptional (2024-25: exceptional).
- KPI2 – Savings on site management: Savings made, and income gained through site management initiatives as a percentage of the initial site management budget. This indicator measures the sum saved by the department through LocatED's work to

improve the efficiency of site management. The result in 2025-26 was rated exceptional (2024-25: exceptional).

- KPI3 – Site requirements: An assessment of how well the final site for acquisition meets the requirements of the commission. This indicator measures the extent to which departmental colleagues and educational establishments agree that LocatED acquisitions met the requirements. The result in 2025-26 was rated exceptional (2024-25: exceptional).
- KPI4 – Good value acquisitions: The total cost of acquiring sites as a percentage of the summed red book valuation (RBV) of sites acquired. This indicator measures the total acquisition cost of all commercial purchases as a percentage of the total of all the red book valuations for the sites acquired. The result achieved in 2025-26 was rated exceptional (2024-25: acceptable).
- KPI5 – Good value disposals: The disposal price as a percentage of the total red book valuations taken at the point of placing on open market. This indicator measures the total sales receipt from the disposal of sites as a percentage of the summed Red Book Value of the sites disposed of. The result achieved in 2025-26 was rated good. (2024-25: exceptional).

Programme assurance

In 2025-26, LocatED's Chief Executive, as Accounting Officer, had responsibility for maintaining a sound system of governance, internal controls and risk management to support the achievement of LocatED's policies, aims and objectives, while safeguarding public funds and departmental assets. This is in accordance with the responsibilities in HM Treasury's (HMT) 'Corporate governance in central government departments: code of good practice.'

Complaints to the Parliamentary Ombudsman

The Parliamentary and Health Service Ombudsman (the Ombudsman) can investigate complaints against the administrative actions of a wide range of government departments and other public bodies; or the actions of organisations acting on their behalf.

In 2025-26 no complaints relating to LocatED were received or accepted by the Ombudsman for investigation (2024-25: nil).

Corporate Social Responsibility (CSR) including the environment

The LocatED team is proud to play its part in the delivery of new, world-class schools and in creating thousands of good school places for future generations of children. It is also committed to supporting improvements and efficiencies in the wider school estate.

To deliver this responsibly, LocatED has embedded ethical and sustainable business practices and takes account of the social, economic, and environmental impact of its activity. It leads its employees to adopt a community-focused approach and encourages their development and active participation in CSR initiatives and voluntary opportunities.

The progress made in each area in 2025-26 is detailed as follows:

Community

LocatED does not, and cannot, work in a commercial or social vacuum. Part of LocatED's ethos is that it has responsibilities to its clients, suppliers, neighbours and to the wider communities it serves. LocatED has delivered the following initiatives:

- Volunteering

During the year 96 days were taken as part of LocatED's volunteering scheme that offers each employee two paid days a year to undertake voluntary work of their choice.

Employees volunteered by presenting at careers fairs, mentoring students, coaching sports, knitting to raise money for those in need, litter picking, delivering meals to the vulnerable and elderly and in various roles supporting multi academy trusts (MATs), among many more worthwhile causes.

- Apprenticeship Surveyor Programme

LocatED has partnered with The University of the Built Environment (UBE) to develop an Apprenticeship Surveyor Programme that will provide a mix of firsthand practical experience, structured learning, and development to support apprentices in completing the Assessment of Professional Competence.

LocatED supported two apprentices through this year's programme.

LocatED also supported one apprentice studying for their level 4 finance qualification.

- UK Boardroom Apprentice Programme 2025

  LocatED applied for and were successfully matched with a Boardroom Apprentice as part of the Ministry of Housing, Communities and Local Government (previously Department for Levelling Up, Housing and Communities) Boardroom Apprentice Programme. The programme seeks to enable a wider diversity of individuals by giving them exposure to unique board learning and development designed to enable those who would like to serve on a public or third sector board to learn and gain experience in a safe way before they take that step.

- LocatED is also a member of:
  - Real Estate Balance - a campaigning organisation working to improve diversity and inclusion in the real estate industry
  - The 5% Club - an organisation focused on creating momentum behind the recruitment of apprentices and graduates into the workforce – platinum membership
  - Care Leavers Covenant - an organisation providing additional support for those leaving care

In addition, LocatED is also an Investors in People and Carers accredited company.

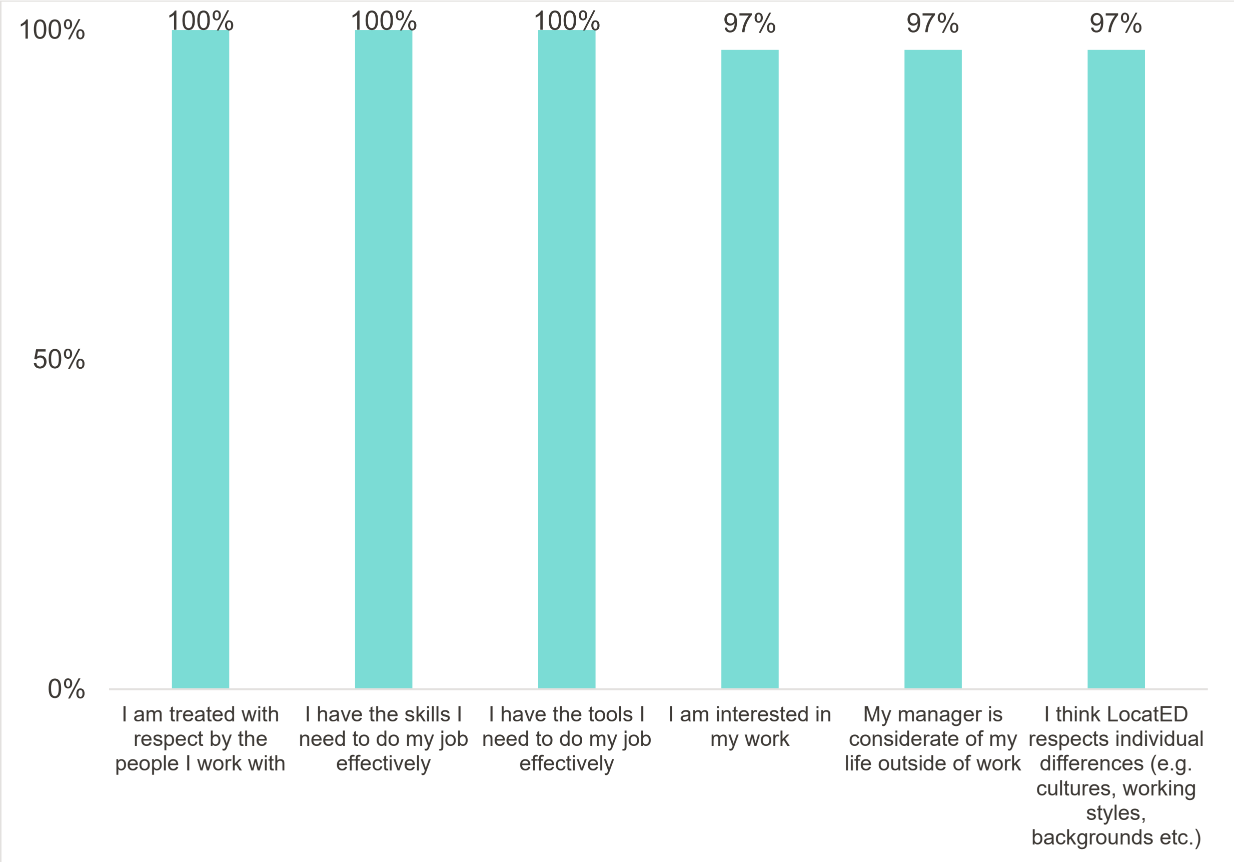
In 2025-26 LocatED was and remains committed to developing and growing all of the above initiatives to support the community. It aims to increase adoption of its voluntary programme and to offer a broader range of work experience opportunities for young people at LocatED to promote accessible routes into the property profession and business support services.

People

LocatED has continued to prioritise the wellbeing of LocatED employees by:

- Providing a supportive, safe, and vibrant environment to work in;
- Promoting equality of opportunity and real diversity;
- Offering a fair and competitive total value proposition;
- Enabling clear paths of personal and professional growth;
- Providing opportunities to make an impact and to see that impact;
- Encouraging a happy work/life balance and a true meritocracy.

In 2025-26 LocatED demonstrated progress towards these goals, with the following percentage of employees reporting in the annual employee survey their agreement with the statements.



In the same survey, 100% of respondents said they had not experienced discrimination at work.

LocatED's People and Development Team also successfully promoted a company-wide, comprehensive learning and development programme throughout 2025-26. Activities included:

- Weekly lunchtime seminars, with speakers from across the public and commercial sectors as well as several wellbeing sessions;
- 802 individual training and development activities completed.

Greening Government Commitments

LocatED has previously been exempt from HMT Sustainability Reporting due to operating as an arms-length body occupying less than 500m2 of floor area. Due to this previous exemption, it is not possible to make disclosures on metrics and targets as we do not have the information to report against all areas set out in the latest guidance.

LocatED continues to demonstrate a strong and determined commitment to sustainability and efficiency. The team is committed to continue implementing and enhancing initiatives to drive efficiencies and lessen LocatED's own environmental impact. LocatED reduces its impact on the environment by cutting waste through office-based initiatives such as:

- Recycling material waste and cutting material usage;
- Energy-efficient premises;
- The promotion of home working alongside the use of sustainable travel planning and intelligent IT to minimise travel;
- Utility saving practices;
- Educating employees and promoting environmental initiatives in the workplace.

Health and safety

LocatED recognises its obligations under the Health and Safety at Work Act of 1974, which imposes a statutory duty on employers to ensure, as far as is reasonably practical, the health and safety of their employees whilst at work. LocatED is committed to providing a healthy and safe working environment for all its employees and third parties who work in, or visit, its premises; it has a Health and Safety Policy in place to support this.

The report was approved by the Board and signed for and on behalf of the Board by:

Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

LocatED Property Limited,
20 Cranbourn Street,
London, WC2H 7AA*

*This was the address on 31 March 2026. Any correspondence relating to this ARA can be sent to alyson.gerner@education.gov.uk.

2. DIRECTORS' REPORT

Principal activities of the company over the course of the year

LocatED was incorporated on 20 September 2016. It is registered in England and Wales, and it is a property company launched to improve the capacity and capability available to the Department. The company does not enter into any research or development activities. From 1 April 2026 its activities will transfer to the DfE and the company will be dormant.

The Directors of LocatED

The Directors and Board members as at 31 March 2026 were:

Chief Executive

Board Chair

Non-executive Board Member

Non-executive
Board Member

Non-executive
Board Member

Finance Director

Directors of the Board	Appointment to the Board	Resignation from the Board
Mark Prisk	2 January 2024	31 March 2026
Caroline Tolhurst	3 February 2017	31 March 2026
Alyson Gerner	22 February 2017	n/a

Directors of the Board	Appointment to the Board	Resignation from the Board
Lara Newman	16 March 2017	31 March 2026
Simon Holden	1 April 2025	31 March 2026
David Hunter	1 April 2025	31 March 2026

The non-executive Board members had fixed term contracts, which terminated on the 31 March 2026. Alyson Gerner was appointed as Company Secretary on 29 April 2022.

Business review

A review of LocatED's performance is included in the Strategic Report along with details of the KPIs that applied from 1 April 2025 to 31 March 2026.

Directors' conflicts

The Companies Act 2006 provides that Directors must avoid a situation where they have, or can have, a direct or indirect interest that conflicts, or may conflict, with a company’s interests. Any interests must be brought to the attention of the Board and then dealt with in accordance with the Board’s conflict of interest policy. A register of Directors’ interests is maintained and made available for inspection at all Board meetings where Board decisions are made.

Directors’ indemnity

The Department, rather than LocatED, provides the non-executive Directors and Executive Directors with third-party liability cover (subject to terms and conditions) through the Non-executive Directors’ letters of appointment and Risk Protection Arrangements for LocatED.

Directors’ remuneration

The Directors’ remuneration is shown in the Remuneration and Staff Report.

Political and charitable donations

No political or charitable donations were made during the year ended 31 March 2026 (2024-25: £nil).

Financial risk, market risk and cash flow risk

The only credit risk faced by LocatED during 2025-26 was in relation to the disbursements paid on behalf of landowners for the Surplus Land for Housing Pilot, it is intended that these disbursements will be recovered from the landowner if the individual project is successful. All properties are acquired on behalf of the DfE. LocatED does not own any property, so there is no market risk. Regarding liquidity and cash flow, cash was provided, by the Department in the form of Grant-in-aid, to meet LocatED's cash need.

Dividends

The company has not paid any dividends during the period and no dividends are proposed by the Directors.

Share capital

The company issued one £1 Ordinary share for a consideration of £1 on 20 September 2016. The sole shareholder is the Secretary of State for Education. Following the issue of the share, the issued share capital of the company is £1.

Governance, internal controls and risk management

The Board accepts and acknowledges that it is both accountable and responsible for ensuring that the company has in place appropriate and effective systems, procedures, policies and processes for internal controls.

The Board believes that there have been appropriate internal controls and risk management in place throughout the year to 31 March 2026.

A full report on governance and risk management can be found in the Governance Statement.

Equality and diversity

LocatED is committed to the principle of equal opportunities in employment and is opposed to any form of less favourable treatment or financial reward through direct or indirect discrimination, harassment, victimisation to employees or job applicants on the grounds of race, religious beliefs, political opinions, colour, ethnic origin, nationality, marital or parental status, gender, age, sexual orientation or disability.

LocatED is committed to the promotion and implementation of a culture of diversity, both internally and externally, and expects its employees to accept the duty it imposes upon itself not to discriminate, either in employment practices or in the provision of facilities and services, by reference to race, colour, ethnic or national origin, religion, creed, gender, sexual orientation, disability, appearance, age or marital status.

Social and community issues

These are described in the Strategic Report, Corporate and Social Responsibility section.

Pension

All employees have access to a pension scheme, which is described in the Remuneration and Staff Report.

Financial commentary

All LocatED's expenditure was funded from grant-in-aid from the Department. The Department does not provide cash to LocatED to cover outstanding liabilities. However, the Department will provide cash to cover these when they are paid. This amount is currently shown as the balance in the Statement of Changes in Taxpayers' Equity.

In the year to 31 March 2026 LocatED was given a budget of £8.483 million of which LocatED spent £7.851 million to cover its operating costs. This included £1.522 million for project related pre- acquisition costs for sites, mixed-use developments, disposals costs of £312k, £5.345 million for employee staff costs and £226k on premises costs. This was a grant-in-aid, provided by DFE and is not classified as income.

LocatED completed 10 site acquisition commissions in the year and managed over 60 properties held for free schools but not in use. It did this on behalf of the Department and so all costs were paid directly by the Department, and any income and expenditure was therefore recognised in the DfE's Annual Report and Accounts.

In 2025-26 LocatED continued to be funded from grant-in-aid provided by the Department.

Relationships essential to the business of the company

LocatED's operating model uses a range of shared services provided by the Department: Financial Accounting, Financial Management, Payments and Treasury

Management, Information Technology and Property Management Services (in relation to LocatED's office premises). These arrangements have been in place since November 2016.

Auditor and remuneration paid to auditor

LocatED has appointed the Comptroller and Auditor General as its external auditor. The National Audit Office (NAO) carries out the audit for and on behalf of the Comptroller and Auditor General. The remuneration paid to its external auditor for work during this financial year was £63,600 including VAT (2024-25: £63,600 including VAT). No non-audit work was undertaken by the auditors.

Events after the reporting period

These are described in the Notes to the accounts – Note 9.

Company registration

LocatED is a company registered in England and Wales. Its registered address was 20 Cranbourn Street, London, WC2H 7AA

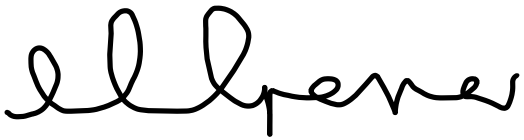
Going concern

On 11 September 2025 the Department for Education announced that LocatED will move into the Department for Education on 1 April 2026 following its review of Arm's Length Bodies.

The Department consider that this integration will combine LocatED' s exceptional commercial property expertise with the Department's deep understanding of what schools need to deliver outstanding education, whilst delivering maximum value for taxpayers. This move follows the Cabinet Office review of all Arm's Length Bodies across government announced in April 2025.

In light of the Department's decision, the Directors concluded that the Company had no alternative but to cease trading from 31 March 2026. Its assets and liabilities at this point will transfer to the Department on 1 April 2026.The financial statements have therefore been prepared on a basis other than going concern.

The report was approved by the Board and signed for and on behalf of the Board by:



Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

3. STATEMENT OF THE DIRECTORS' AND THE ACCOUNTING OFFICER'S RESPONSIBILITIES

The Directors and the Accounting Officer are responsible for preparing the Annual Report and Accounts in accordance with the applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the UK adopted International Accounting Standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the period.

In preparing the accounts, LocatED is required to comply with the requirements of the Companies Act 2006 and the Financial Reporting Manual (FReM), as long as it does not contradict the Companies Act, and in particular to:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information;

- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity’s financial position and financial performance; and
- Assess the company’s ability to continue as a going concern.

The Directors and Accounting Officer are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company.

The Permanent Secretary and Principal Accounting Officer for the Department designated Lara Newman as Accounting Officer of LocatED in April 2017 and Alyson Gerner was designated as Accounting Officer of LocatED in April 2026 following its merger into the DfE. The responsibilities of an Accounting Officer include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding LocatED’s assets as set out in ‘Managing Public Money’ published by HMT.

Each of the current Directors and the Accounting Officer confirms that;

- They take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable; and
- The financial statements give a true and fair view of the assets, liabilities, and financial position of the Company; and
- The Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of its risks and uncertainties.

In addition, having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, the Directors and Accounting Officer are satisfied that the annual report and accounts, taken as a whole, are fair, balanced and understandable.

Directors' Declaration

The Directors who held office at the date of approval of this Directors' Report confirm that, as far as they are each aware, there is no relevant audit information of which the Company’s auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company’s auditors were aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The report was approved by the Board and signed for and on behalf of the Board by:

Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

4. GOVERNANCE STATEMENT

The purpose of the Governance Statement

The statement explains how the Chief Executive and Directors of LocatED have put in place arrangements for good corporate governance and reviews of the effectiveness of these arrangements to ensure compliance with HMT's 'Corporate governance in central government departments: code of good practice,' where relevant to LocatED.

Scope of responsibility

LocatED is an NDPB established to assist the Department in property matters. This is further explained in the Strategic Report.

Regarding recruitment, LocatED was given delegated authority to offer appointments at the numbers and salary ranges set out in the staff and pay framework that was agreed with HMT, except where the potential remuneration was in excess of £100,000, in which case the approval of the Department was also required. The Secretary of State approved all pay awards including performance related payments.

A system of internal control has been in place to govern spending in LocatED for the financial period up to the date of approval of the Annual Report and Accounts.

The organisation’s governance framework

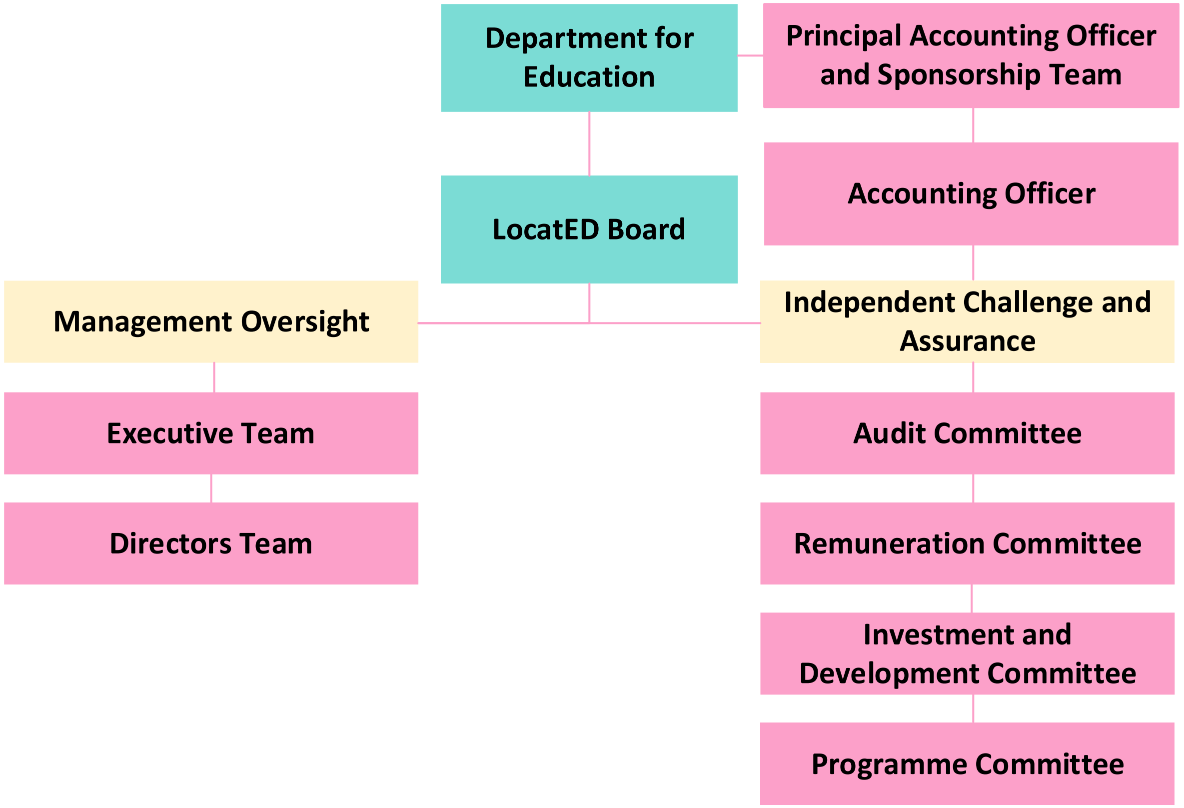
As sole shareholder, the Secretary of State resolved to adopt the Articles on 4 January 2017; these were subsequently approved by the LocatED Board on 22 February 2017 subject to amendment. The Secretary of State subsequently adopted the amended Articles on 7 March 2017.

LocatED’s other governance documents of relevance for 2025-26 consist of:

- The Framework Document dated 26 April 2017, updated on 4 May 2021 and then again on 11 April 2024, specifies the broad corporate framework within which LocatED must operate. It sets out the roles and responsibilities of the Board, Chair and the Accounting Officer as well as LocatED’s objectives. This document is underpinned by HMT’s Managing Public Money and other government-wide corporate governance requirements and recommendations;
- The letter dated 8 May 2017 from the Department’s Accounting Officer appointing the Chief Executive as Accounting Officer;

- The letter dated 12 June 2025 from the Permanent Secretary of the Department confirming LocatED's budget allocation for the financial year 2025-2026;
- The Keep Well Agreement between the Secretary of State and LocatED, pursuant to which the Secretary of State guarantees certain liabilities and obligations.

The Board and Committees



The functions of the Board and Committees are described below.

The Board

During the year the Board consisted of the Chair, three other Non-executive Directors, the Chief Executive and one Executive Director. The Shareholder’s Observer is invited to attend the Board, Audit and Remuneration Committee meetings and receives all the relevant papers. The Board met for nine out of 12 months and each member, as well as the Shareholder’s Observer, was provided in advance with all the relevant information relating to the matters to be discussed.

Function

To establish and take forward the strategic aims and objectives of LocatED consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State. It provides leadership, strategic direction and specialist expertise as well as independent scrutiny to ensure that effective arrangements are in place for assurance on risk management, governance and internal controls. It provides independent perspective and assurance on capability, and independent support, guidance and challenge on the progress and implementation of the business plan. It scrutinises the performance of the organisation in meeting agreed goals and objectives and monitors the reporting of performance, including financial targets.

Member	Role	Meetings attended
Mark Prisk	Chair and Non-executive Director	9 out of 9
Caroline Tolhurst	Non-executive Director	9 out of 9
Simon Holden	Non-executive Director	9 out of 9
David Hunter	Non-executive Director	8 out of 9
Alyson Gerner	Finance Director, Company Secretary	9 out of 9

Member	Role	Meetings attended
	and Executive Director	
Lara Newman	Chief Executive	9 out of 9
Jonathan Dewsbury, Shareholder's Observer or nominated deputy	Director of Capital, DfE	8 out of 9

The Board's annual review of its own processes and practices

Presentations on a wide range of subjects relevant to the business continue to be provided before Board meetings and are regularly attended by Board members. The

Board undertook a self-assessment exercise in February 2025, the results of which were reviewed by the Board in April 2025.

On 12 February 2026 the Board confirmed that in 2025-26 the Board and committees had received papers in advance and in a format that provides them with the information that they require.

The Shareholder's Observer or nominated deputy attends the Board and gives a summary of any new developments within the Department.

The Board relies on timely and reliable data to support effective decision-making and oversight. Reports received during the year were drawn from validated systems and subject to appropriate checks, subject to internal and external audits, with any concerns addressed promptly. The organisation continues to improve data governance and assurance processes to meet the standards of Managing Public Money.

Highlights of the Board and Committee reports

During 2025-26, the Board took forward the strategic aims and objectives of LocatED whilst ensuring effective arrangements remain in place to provide assurance on risk management and governance. The Board provided challenge and scrutiny in respect of LocatED’s expanded remit, in particular in respect of third-party advice and the Net Zero Accelerator Programme

Four Board committees support the work of the Board:

Audit Committee

During 2025-26 the Audit Committee approved the Government Internal Audit Agency (GIAA) internal audit plan, the GIAA charter and reviewed the NAO’s external audit plan. The Audit Committee was disbanded on 31 March 2026 and its role in reviewing Annual Report and Accounts of LocatED transferred to the DfE Audit and Risk Committee.

Function

To advise the Board and provide assurance on processes for risk, controls, anti-fraud policies, whistleblowing arrangements, special investigations and governance, including in past years the Governance Statement and the rest of the Annual Report and Accounts of LocatED. It also reviewed planned activity and results from both internal and external audits and management reports. The Audit Committee Terms of

Reference were adopted by the Board on 22 February 2017, were reviewed annually and were last updated on 30 April 2025.

During 2025-26 the Audit Committee met four times. The membership and their attendance are listed below:

Members	Meetings attended
Caroline Tolhurst (Chair)	4 out of 4
Simon Holden	4 out of 4

Other attendees by invitation were: LocatED Finance Director, LocatED Legal Counsel, representatives from the NAO, representatives from GIAA and the Shareholder’s Observer.

Investment and Development Committee

During 2025-26 the Investment and Development Committee assessed and approved 20 acquisitions and eight disposals.

Function

To approve all acquisitions, disposals and any other transactional decisions escalated to it by LocatED's Accounting Officer. The Investment and Development Committee (previously Mixed-use and Investment Committee) Terms of Reference were adopted by the Committee 23 May 2024 and were reviewed by the Board on 30 April 2025.

During 2025-26 the Investment and Development Committee met 11 times. The membership and their attendance are listed below:

Members	Meetings attended
Simon Holden (Chair)	11 out of 11
David Hunter	9 out of 11
Lara Newman	9 out of 11
Sally Smith, DfE for mixed use and development issues only	11 out of 11

Other attendees are: LocatED Finance Director, LocatED Legal Counsel, Property Director, and Director – Technical, Planning and Construction.

Programme Committee

During 2025-26 the Programme Committee oversaw advice being provided across the education estate. In addition, the Committee reviewed and provided governance in respect of the Net Zero Pathfinder and GB Energy Solar Accelerator programmes, delivering significant investment, together with financial and carbon savings, across schools and colleges.

Function

Programme Committee was established to oversee and monitor the commissioning and implementation of programme activities, providing scrutiny, governance and assurance to the Board. Terms of Reference were adopted by the Committee 23 May 2024 and were reviewed by the Board on 30 April 2025.

During 2025-26 the Programme Committee met 11 times with one decision via correspondence. The membership and their attendance are listed below:

Members	Meetings attended
David Hunter (Chair)	11 out of 11
Mark Prisk	11 out of 11
Lara Newman	11 out of 11
Sharon McHale, Shareholder's Observer or nominated deputy	8 out of 11

Other attendees are: LocatED Finance Director, Legal Counsel, Procurement Executive, Property Director, and Director-Technical, Planning and Construction.

Remuneration Committee

Function

Operation of the Pay Framework outlined in the Framework Document, ensuring that the remuneration arrangements support strategic aims and enable the recruitment, motivation and retention of employees. The Remuneration Committee Terms of Reference were adopted by the Board on 22 February 2017, are reviewed annually and were last updated on 30 April 2025.

During 2025-26 the Remuneration Committee met 3 times. The membership and their attendance are listed below:

Members	Meetings attended
Mark Prisk (Chair)	3 out of 3
Caroline Tolhurst	3 out of 3

Other attendees are: LocatED Chief Executive, Shareholder’s Observer, LocatED Chief People Officer.

Risk management

Key issues and risks facing the entity

LocatED complied with the main principles of The Orange Book: Management of Risk

LocatED's principal risk categories are shown below.

Risk category	Definition
Strategic	Risks that impinge on the effective and timely delivery of LocatED's strategic objectives. Specifically in 25-26 there has been a risk of failure in supply chains, supplier failure and price inflation owing to World economic events. The Strategic Risk Register identifies 8 risks in total, all of which are being mitigated to the extent that it is possible.
Operational, performance & programme delivery	The risk that annual KPI and operating results may not meet departmental, management and stakeholder expectations, as a result of inadequate or failed internal processes, people and systems.
Financial	Risks that impinge the effective management of finances in accordance with financial regulation, legislation and standards and financial constraints including the prevention of financial fraud.

Risk category	Definition
Reputational & conduct risk	Risk arising from an adverse perception of LocatED and its activities by partners, stakeholders and the general public.
Regulatory, compliance & legal	The risk of a breach of laws, regulations, and/or codes of practice, or changes in regulation and/or law which might adversely impact LocatED’s business. Specifically, there is a strategic risk of failure to meet Health and Safety requirements on the sites that LocatED manages on behalf of the Department,
Commercial	The risk of weakness in the management of commercial transactions, partnerships, supply chains and contractual requirements, resulting failure to meet business requirements and achieve value for money.
Political & economic	The risk that changes in the political and/or macro-economic environment might impact the achievement of business

Risk category	Definition
	objectives or the approval of a business case for LocatED’s continued existence.

Within these risk categories there are a number of unique risks to LocatED that it monitors and manages effective mitigation for. These risks result from the nature of its strategic objectives, corporate KPIs given by the Department and exposure to the commercial property market:

Site acquisition risk

- LocatED does not complete the required site acquisition commissions from the Department;
- The sites that LocatED acquires are not appropriate for the commission;
- LocatED fails to achieve its Key Performance Indicators for value for money and timely delivery.

Site acquisition risk mitigation

The way in which LocatED manages its site acquisition risks are detailed below.

LocatED has recruited people that have the required commercial capability and expertise to find the right sites. These people are well engaged with the commercial property market and are experts in planning, construction, development, and site acquisition.

In addition, LocatED has an established and effective Programme Management Function and an Investment and Development Committee that provides oversight and independent challenge for all acquisitions, assessing the suitability of the sites, the risks associated with them and value for money.

LocatED reports its achievement against its KPIs at each Board meeting, identifies any risk to their achievement and proposes corrective action, it also reports this to the Department every quarter.

Asset management risk

- LocatED manages sites on behalf of the Department; there is a risk that these sites do not comply with statutory legislation and health and safety.

Asset management risk mitigation

A Facilities Management contract was mobilised in 2020-21 as well as a new Managing Agents contract also being awarded and mobilised. Together these two contracts align procurement activities to their pertinent sector frameworks through Crown Commercial Service, effectively mitigating procurement risk and health and safety risks.

Risk monitoring and escalation

In 2016-17 LocatED developed a Risk Management Strategy that was agreed by LocatED’s Audit Committee in March 2017. The document was last updated in February 2025; and it has been fully implemented. The risks detailed in the Strategic and Operational Risk Register are regularly reviewed by the relevant committees and by the Board every quarter. LocatED’s Operational Management Team review the Operational Risk Register on a quarterly basis.

The Board and Audit Committee have risk management as a focus and scrutinise strategic risks, countermeasures, contingencies and advice to ensure LocatED is effectively managing the risks.

Risks relating to individual property transactions are detailed in the reports prepared for the Investment Committee and are used to inform decision-making.

LocatED has designed a robust system of governance, internal control and risk management to manage risk to an appropriate level rather than eliminate all risk of failure to achieve policies, aims and objectives. Therefore, it can only provide reasonable and not absolute assurances of effectiveness. The system of internal control is based on an ongoing process designed to:

- Identify and prioritise the risks to the achievement of LocatED’s delivery aims and objectives;
- Evaluate the likelihood of those risks being realised and the impact should they be realised; and
- Take reasonable steps to manage them efficiently, effectively and economically.

Sources of assurance

GIAA was appointed to provide LocatED with internal audit services from 1 April 2017. GIAA focuses on risk and prepares a risk-based audit plan.

GIAA carried out one audit in 2025-26 on LocatED's Transition Arrangements and the rating given was Substantial.

The GIAAs Head of Internal Audit has provided LocatED with his annual report, which incorporates his opinion on LocatED's system of governance, risk management and internal control. His opinion has been informed by the internal audit work completed during the year, in line with the internal audit plan agreed by management and the Audit Committee. Of the four possible opinion ratings, the overall opinion rating given was Substantial. This indicates a stable assurance position and is in line with the position in previous years.

LocatED has accepted this assessment.

Countering fraud, error and debt

In the year to 31 March 2026 no fraud was detected in relation to LocatED's transactions (2024-25: nil).

Whistleblowing arrangements

The Audit Committee is responsible for reviewing the whistleblowing arrangements, these are set out clearly in the colleague handbook that all colleagues are required to read. LocatED has effective whistleblowing processes and procedures in place. In 2025-26 there were no whistleblowing cases (2024-25: nil).

Knowledge, information assurance and protective security

LocatED has established and implemented an information asset process consistent with Department requirements and has established its own data protection policy with Board approval. It has also taken significant steps to ensure compliance with the General Data Protection Regulations (GDPR), strengthening its data protection policy, delivering training to employees, appointing a Data Protection Officer and ensuring that any contracts it enters into, are GDPR compliant.

LocatED still operates on the same technology platform as the Department and LocatED's Accounting Officer remains the Senior Information Responsible Owner (SIRO).

Report on personal information breaches

All NDPBs are required to report personal data-related incidents that have occurred during the financial year in accordance with the standard disclosure format issued by the Cabinet Office.

The Cabinet Office defines a ‘personal data-related incident’ as a loss, unauthorised disclosure or insecure disposal of protected personal data. ‘Protected personal data’ is data that a department, or its delivery partner, agrees the release or loss of which could cause harm or distress to individuals:

- Information that links one or more identifiable living person with information about them, the release of which would put the person or persons at significant risk of harm or distress;
- Any source of information about 1,000 or more identifiable individuals, other than information sourced from the public domain.

LocatED had no protected personal data-related incidents that it judged significant enough to report formally to the Information Commissioner’s Office in 2025-26 and it had no protected personal data-related incidents reported in 2025-26 that were significant enough for the Department to record centrally. This was the same in 2024-25.

Conclusion

In the year to 31 March 2026 LocatED had developed a sound system of governance, risk management and internal control.

The report was approved by the Board and signed for and on behalf of the Board by:

Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

5. REMUNERATION AND STAFF REPORT

Chief Executive and Board members’ remuneration policy

The Chief Executive and all employees are paid in accordance with the Pay Framework provided by the Department and agreed with HMT that sets out the pay ranges and benefits for all employees. LocatED manages performance and non-consolidated performance awards for employees in accordance with the Framework Document and Pay Framework.

The Chief Executive has a permanent contract, subject to six months’ notice by either party. In 2024-25 the Finance Director was on secondment from the Department and on 1 April 2025 she became a LocatED employee. Alyson Gerner was appointed as Company Secretary on 29 April 2022. The Chair and Non-executive Directors that remain in post and are covered by this report hold appointments that will terminate on the 31 March 2026.

Early termination for Executive Directors (who are not secondees), other than for misconduct, would result in the individual receiving statutory compensation payments.

Remuneration (salary, fees, performance related pay (PRP) and pensions) of Directors of LocatED (subject to audit)

Director	Salary* 2025-26 £'000	PRP Payments 2025-26 £'000	Employer Pension Contributions 2025-26 £'000	Total 2025-26 £'000	Salary 2024-25 £'000	PRP Payments 2024-25 £'000	Employer Pension Contribu-tions 2024-25 £'000	Total 2024-25 £'000
Lara Newman** Chief Executive	365-370	40-45	13.6	425-430	220-225	40-45	13.4	280-285
Alyson Gerner*** Finance Director	50-55	5-10	4.5	60-65	80-85	0-5	19.3	100-105

Mark Prisk Chair and Non-executive Director	20-25	-	-	20-25	20-25	-	-	20-25
Caroline Tolhurst Non-executive Director	15-20	-	-	15-20	15-20	-	-	15-20
Simon Holden Non-executive Director	15-20	-	-	15-20	15-20	-	-	15-20
David Hunter	15-20	-	-	15-20	15-20	-	-	15-20

Non-executive Director								

*‘Salary’ includes gross salary; recruitment and retention allowances, and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by LocatED and thus recorded in the accounts. The Non-executive Directors receive fees.

** Lara Newman's salary and allowances includes £140,000 termination payment, including £113,779 contractual payment in lieu of notice and £26,261 special severance payment.

***This is based on 24 hours per week for 2025-26.

There were no cash or taxable benefits paid for in 2025-26 or 2024-25.

Notes

The Non-executive Directors are not entitled to be part of LocatED’s pension scheme or receive payments under the Performance Related Pay scheme or any other benefits.

Fair pay disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The Hutton fair pay disclosure for LocatED is as follows:

Total Remuneration – Salary and PRP	2025-26	2024-25
Band of highest paid director's remuneration	£270,000-£275,000	£265,000-£270,000
25th percentile	£45,468	£54,788
Median	£78,548	£77,445
75th percentile	£107,998	£107,634
Range of employee's remuneration (£)	£20-£25k - £270,000-£275,000	£20-£25k - £265,000-£270,000

Total Remuneration – Salary and PRP	2025-26	2024-25
Remuneration ratio from the mid-point of the band of the highest paid director to the 25th percentile	6.0:1	4.9:1
Remuneration ratio from the mid-point of the band of the highest paid director to the median	3.5:1	3.5:1
Remuneration ratio from the mid-point of the band of the highest paid director to the 75th percentile	2.5:1	2.5:1

The banded remuneration of the highest-paid director in LocatED in the financial year 2025-26 was £270,000-£275,000 (2024-25: £265,000-£270,000). This was 3.5 times (2024-25: 3.5) the median remuneration of the workforce, which was £78,548 (2024-25: £77,445). It was also 6.0 times (2024-25: 4.9) the 25th percentile remuneration of the workforce due to 3 employees in this percentile not eligible for PRP.

LocatED believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for LocatED's employees taken as a whole.

In 2025-26, no employees received remuneration in excess of the highest-paid director (2024-25: nil).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Remuneration – Salary only	2025-26	2024-25
Band of highest paid director’s remuneration	£225,000-£230,000	£220,000-£225,000
25th percentile	£44,354	£49,605
Median	£68,111	£67,437
75th percentile	£91,761	£91,216

Percentage change in total salary and performance related pay for the highest paid director and the staff average (subject to audit)

-	2025-26		2024-25	
-	Total salary and allowances	PRP	Total salary and allowances	PRP
Staff average	0.8%	-7.0%	5.8%	11.7%
Highest paid director	1.5%	1.5%	5.0%	5.0%

Changes to employee average salary and allowances in the financial year 2025-26 was 0.8% (2024-25: 5.8%) and changes to the highest paid director salary and allowance in the financial year 2025-26 was 1.5% (2024-25: 5.0%).

Changes to employee average for PRP payments in financial year 2025-26 was -7.0% (2024-25: 11.7%) and changes to the highest paid director PRP payments in financial year 2025-26 was 1.5% (2024-25: 5.0%).

Employee turnover

-	2025-26	2024-25
Employee turnover	23%	13%

Average staff numbers and staff costs (subject to audit)

The details of employee’s costs are included in the Financial Statements, Note 2.

Category of employees	Average headcount in the period to 31 March 2026	Headcount as of 31 March 2026	Average headcount in the period to 31 March 2025
Permanent	49.0	46	52.5
Temporary	2.0	3	0.5
Contractors/Agency	0	0	0

Category of employees	Average headcount in the period to 31 March 2026	Headcount as of 31 March 2026	Average headcount in the period to 31 March 2025
Secondees	0.5	1	1
Total	51.5	50	54

Performance Related Pay

LocatED awards performance related pay as part of the performance management process. LocatED sees effective performance management as key to driving up individual and organisational performance and providing greater value for money to deliver high-quality public services. LocatED has a performance management process that is agreed with the Remuneration Committee and is in line with the Pay Framework and Framework Document. The performance-related pay amounts reported relate to performance in 2025-26.

Sickness absence

During the period, LocatED lost 0.4 days per person to sickness absence (0.4 days per person in the period to 31 March 2025).

Compensation payments to past Directors and payments for loss of office (subject to audit)

Due to the closure of LocatED, Lara Newman’s employment was terminated on the grounds of a settlement agreement and £140k compensation was paid. (Nil compensation payments or payments for loss of office in the period to 31 March 2025), the majority of this; £114k was salary in lieu of notice;

People management

LocatED employees are classified as being public sector and are employed on terms and conditions agreed by HMT. Recruitment of employees is within the parameters provided in the Pay Framework and Framework Document.

At the end of March 2026 LocatED’s employee headcount figures, for permanent and temporary (UK) employees with an employment contract, were as follows:

Title	Male	Female	Total
Chief Executive	-	1	1
Director	3	2	5
Associate Director	6	-	6
Senior Manager	5	3	8
Manager	14	1	15
Corporate Support	2	6	8
EA, PA & Assistant	1	2	3
Graduate	-	2	2
Apprentices	2	-	2
Total	33	18	50

Off-payroll engagements

As part of the Review of Tax Arrangements of Public Sector Employees published by the Chief Secretary to the Treasury on 23 March 2012, Departments were directed to publish information pertaining to the number of off-payroll engagements, at a cost of over £58,200, that were in place on, or after, 31 January 2012 and any off-payroll engagements of Board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026.

There were no off-payroll engagements of Board members, and/or senior officials with significant financial responsibility as of 31 March 2026.

There were no off-payroll appointments engaged at any point during the year ended 31 March 2026.

Employee Exit Packages (subject to audit)

Exit package cost band (£)	Number of compulsory redundancies	Number of other departures	Total number of exit packages
0-25,000	0	1	1
25,001-50,000	0	0	0
50,001-100,000	0	0	0
100,001-150,000	0	1	1

Includes two exit packages of which one was made to the Chief Executive Lara Newman of £140,000 (nil in 24/25), including £113,779 contractual payment in lieu of notice and £26,261 special severance payment.

Pension schemes

LocatED offers a defined contribution workplace pensions scheme in the United Kingdom for its employees. Employee contributions are salary-related and range between 4% and 6% of earnings. The employer matches that contribution up to a total of 6% of basic pay.

For 2025-26, LocatED made employer's contributions of £216.8k (2024-25: £211.3k).

Employee relations and communications

LocatED's people plan outlines the workforce vision and the people priorities that will support it in delivering its objectives until 2026. LocatED's Executive Management Team agreed the plan and oversees progress. LocatED's priorities include developing employees to improve both core and specialist skills, promoting a positive culture and supporting line managers.

LocatED has regular performance reviews to identify training needs and create individual training programmes that support professional qualifications. It monitors its progress in reducing skills gaps by regular reviews and analysing the effectiveness of completed training. LocatED also uses questionnaires to monitor satisfaction and wellbeing levels of its employees.

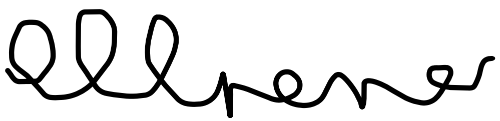
Equality, diversity and inclusion

LocatED is committed to the principle of equal opportunities in employment and is opposed to any form of less favourable treatment or financial reward through direct or indirect discrimination, harassment, victimisation to employees or job applicants on the grounds of the 9 protected characteristics as listed by the Equality Act (2010):

- Sex
- Gender identity expression or reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race (including ethnic origin, colour, nationality and national origin)
- Disability or long-term health conditions
- Sexual orientation
- Religion and or belief
- Age.

LocatED is committed to the promotion and implementation of diversity and inclusion, both internally and externally, and expects its employees to accept the duty it imposes upon itself not to discriminate, either in employment practices or in the provision of facilities and services, by reference to any of the nine protected characteristics as listed in the Equality Act (2010).

The report was approved by the Board and signed for and on behalf of the Board by:



Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

6. PARLIAMENTARY ACCOUNTABILITY REPORT

Regularity of expenditure reports losses and special payments – regularity refers to the principle that all consumption of resources should be made in accordance with the legislation authorising them – any applicable delegated authority and the principles set out in Managing Public Money.

Losses (subject to audit) – there were no losses in 2025-26 (2024-25: nil).

Special payments, including special severance payments (subject to audit) – In 2025-26 one special severance payment was made to the Chief Executive Lara Newman of £26,261 (nil in 24/25).

Gifts (subject to audit) – there were no gifts made in 2025-26 (2024-25: nil).

Fees or charges that required notification to Parliament (subject to audit) – there were no fees or charges in 2025-26 that required notification to Parliament in 2025-26 (2024-25: nil).

The report was approved by the Board and signed for and on behalf of the Board by:

Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCATED PROPERTY LTD AND THE HOUSES OF PARLIAMENT

Opinion on financial statements

I have audited the financial statements of LocatED Property Ltd for the year ended 31 March 2026 in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK)).

The financial statements comprise LocatED Property Ltd's:

- Statements of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards, as applied in accordance with the provisions of the Companies Act 2006.

In my opinion the financial statements:

- give a true and fair view of the state of LocatED Property Ltd's affairs as at 31 March 2026 and its net expenditure for the year then ended; and
- have been properly prepared in accordance with the UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of LocatED Property Ltd in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Modified conclusions relating to going concern

In auditing the financial statements, I have concluded that LocatED Property Ltd's use of a basis other than going concern in the preparation of the financial statements is appropriate.

My evaluation of the directors' assessment of going concern included consideration of the directors' intentions to cease trading once the activities of LocatED Property Ltd were transferred to the Department for Education. Details on the directors' assessment are provided in Note 1.2 of the financial statements.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on management's assessment. Note 1.2 (Going Concern) contains sufficient information to understand the use of an alternative basis of accounting.

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

Other information

The other information comprises the information included in the Annual Report but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of LocatED Property Ltd and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit;

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' and the Accounting Officer's Responsibilities, the directors are responsible for:

- maintaining proper accounting records;

- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within LocatED Property Ltd from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Companies Act 2006 and the Government's Financial Reporting Manual as long as it does not contradict the Companies Act;
- preparing the Annual Report, which includes the Remuneration and Staff Report, in accordance with the Companies Act 2006 and the Government's Financial Reporting Manual as long as it does not contradict the Companies Act; and
- assessing Located Property Ltd'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 intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the applicable law and International Standards on Auditing (UK) (ISAs (UK)).

My 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 a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the LocatED Property Ltd’s accounting policies, key performance indicators and performance incentives.
- inquired of management, LocatED Property Ltd’s head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the LocatED Property Ltd’s policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including LocatED Property Ltd’s controls

relating to the LocatED Property Ltd's compliance with the Companies Act 2006, and Managing Public Money;

- inquired of management, LocatED Property Ltd's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations; and
    - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the LocatED Property Ltd for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of LocatED Property Ltd's framework of authority and other legal and regulatory frameworks in which LocatED Property Ltd operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of LocatED Property Ltd. The key laws and regulations I considered in this context included Companies Act 2006, Managing Public Money, employment law and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating

the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Jack Dunkley

Jack Dunkley (Senior Statutory Auditor)

09 July 2026

For and on behalf of the

Comptroller and Auditor General (Statutory Auditor)

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

7. FINANCIAL STATEMENTS

Statement of Comprehensive Net Expenditure for the year ended 31 March 2026 (SoCNE)

	Note	2025-26 £000	2024-25 £000
Employee costs	2	5,345	5,281
Expenditure	3	2,470	3,184
Total operating expenditure		**7,815**	**8,465**
Net expenditure for the year		**7,815**	**8,465**
Comprehensive net expenditure for the year		**7,815**	**8,465**

All income and expenditure reported in the Statement of Comprehensive Net Expenditure are derived from continuing operations.

The notes on pages 109-121 form part of these Accounts.

Statement of Financial Position as at 31 March 2026 (SOFP)

	Note	31 March 2026 £000	31 March 2025 £000
Current assets			
Prepayments and Receivables	4	6	49
Cash and equivalents	5	308	559
Total current assets		**314**	**608**
Total assets		**314**	**608**
Current liabilities			
Payables	6	(1,402)	(1,427)
Total current liabilities		**(1,402)**	**(1,427)**

Total assets less current liabilities	**(1,088)**	**(819)**
Assets less liabilities	**(1,088)**	**(819)**
Taxpayers' equity:		
General fund	(1,088)	(819)
Total taxpayers' equity	**(1,088)**	**(819)**

The notes on pages 109-121 form part of these Accounts.

The financial statements were approved for issue by the Board of Directors on 9 July 2026.

The report was approved by the Board and signed for and on behalf of the Board by:

Alyson Gerner
Finance Director and
Accounting Officer
9 July 2026

Statement of Cash Flows for the year ended 31 March 2026

	Note	2025-26 £000	2024-25 £000
Cash flows from operating activities			
Net operating cost	SoCNE	(7,815)	(8,465)
Adjustments for non-cash transactions		0	0
Decrease/(Increase) in prepayments and receivables	4	43	412
Increase/(Decrease) in payables	6	(25)	(151)
Net cash outflow from operating activities		**(7,797)**	**(8,204)**
Cash flows from financing activities			
Grant-in-aid from sponsor department	SoCTE	7,546	8,539
Net cash inflow from financing activities		**7,546**	**8,539**

Net increase/(decrease) in cash and cash equivalents		-251	335
Cash and cash equivalents at beginning of the year	5	**559**	**224**
Cash and cash equivalents at end of the year		**308**	**559**

The notes on pages 109-121 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026

	General Fund	Total
	£000	**£000**
Balance at 31 March 2024	**(893)**	**(893)**
Issue of Share Capital	**-**	**-**
Grant-in-aid from sponsor Department	8,539	8,539
Comprehensive expenditure for the year	(8,465)	(8,465)
Balance at 31 March 2025	**(819)**	**(819)**
Issue of Share Capital	-	-
Grant-in-aid from sponsor Department	7,546	7,546
Comprehensive expenditure for the year	(7,815)	(7,815)
Balance at 31 March 2026	**(1,088)**	**(1,088)**

The General Fund represents total assets less liabilities.

The notes on pages 109-121 form part of these Accounts.

8. NOTES TO THE ACCOUNTS

Note 1 – Accounting policies

1.1 Statement of accounting policies and compliance

LocatED Property Ltd is a limited liability company incorporated in England. LocatED is a company registered in England and Wales. The registered address was 20 Cranbourn Street, London, WC2H 7AA.

LocatED has prepared these accounts for the period to 31 March 2026 in accordance with the Companies Act 2006 and International Financial Reporting Standards (IFRS), and, as appropriate, in relation to the financial statements and selected disclosures within the Annual Report only, the Government Financial Reporting Manual (FReM) and other guidance issued by HMT where the disclosure requirements of these go beyond the Companies Act 2006. The accounting policies contained in the FReM apply IFRS as adapted or interpreted for the public sector.

Where the manual permits a choice of accounting policy, LocatED has selected the accounting policy most appropriate to the particular circumstances of LocatED to give a true and fair view. LocatED has applied these policies consistently in dealing with items considered material in relation to the accounts and has produced the accounts using accruals accounting.

The figures are rounded to the nearest £000, and all figures are presented in £ sterling.

Regarding IFRS 17 Accounting for Insurance Contracts, that became effective on the 1 January 2023, this will have no impact on LocatED’s financial reporting as LocatED has no insurance contracts.

1.2 Going concern

On 11 September 2025 the Department for Education announced that LocatED will move into the Department for Education on 1 April 2026 following its review of Arm’s Length Bodies.

The Department consider that this integration will combine LocatED’ s exceptional commercial property expertise with the Department’s deep understanding of what schools need to deliver outstanding education, whilst delivering maximum value for taxpayers. This move follows the Cabinet Office review of all Arm’s Length Bodies across government announced in April 2025.

In light of the Department's decision, the Directors concluded that the Company had no alternative but to cease trading from 31 March 2026. Its assets and liabilities at this point will transfer to the Department on 1 April 2026.The financial statements have therefore been prepared on a basis other than going concern.

1.3 Critical accounting judgements and key sources of estimation uncertainty

LocatED has made judgements in the preparation of these accounts, with regard to accruals where no invoice has been received. LocatED based these judgements on historic and other factors that it believes to be reasonable.

1.4 Grant-in-aid from the sponsoring department

LocatED has recorded all grant-in-aid by the Department as financing, since LocatED regards grant-in-aid as contributions from LocatED’s controlling party giving rise to a financial interest. LocatED records grant-in-aid as financing in the statement of cash flows and credits grant-in-aid to the general fund.

1.5 Financial liabilities

LocatED classifies financial liabilities, where appropriate, as financial liabilities measured at amortised cost (face value plus any discounts). Financial liabilities include trade and other payables.

1.6 Trade and other payables

Trade and other payables, including accruals, are not interest bearing and LocatED states them at their face value on initial recognition.

1.7 Cash and Cash Equivalents

Cash comprises cash in hand, held in LocatED's bank account.

In accordance with IAS 7 Statement of Cash Flows the Company presents balances as cash in the Statement of Financial Position and Statement of Cash Flows.

1.8 Employee benefits

LocatED offers employees a defined contribution scheme where LocatED matches the employee's contribution up to a maximum of 6% of gross salary, and this contribution is recorded as expenditure in the Statement of Comprehensive Net Expenditure.

1.9 Value Added Tax

LocatED is not registered for VAT as it had no VAT taxable turnover in 2025-26. All expenses are presented inclusive of VAT.

1.10 Segmental reporting

In accordance with IFRS 8: Operating Segments (IFRS 8), LocatED has considered the need to analyse its income and expenditure relating to operating segments. LocatED has assessed that all lines of operation fall within the same geographical location and regulatory environment as envisaged by IFRS 8.

1.11 Corporation Tax

LocatED did not incur any Corporation Tax in 2025-26 as it made no supply of goods or services, so did not generate any taxable surplus; however, it will submit the statutory return to HMRC.

1.12 Structure of LocatED

Ultimate parent and parent – the immediate parent undertaking and ultimate controlling party of LocatED is the Secretary of State for Education. LocatED's accounts are consolidated into the Department's accounts.

1.13 Shared Services

LocatED's operating model uses a range of shared services provided by the Department: Financial Accounting, Financial Management, Payments and Treasury Management, Information Technology and Property Management Services (in relation to LocatED's office premises). LocatED is not charged for these services.

1.14 Income recognition

Income is accounted for in accordance with IFRS 15: Revenue recognition, which states that revenue shall only be recognised once a performance obligation has been met. LocatED recognised income at a point in time when the sale of land has occurred. There was no revenue earned by LocatED in 2024-25 or 2025-26.

Note 2 – Employee Costs

	2025-26			2024-25		
	Permanently employed employees	Others*	Total	Permanently employed employees	Others*	Total
	£000	£000	£000	£000	£000	£000
Wages and salaries	4,496	-	4,496	4,399	129	4,528
Social security costs	632	-	632	542	-	542
Pension costs	217	-	217	211	-	211
	5,345	**-**	**5,345**	**5,152**	**129**	**5,281**

*Others are secondees which is why LocatED have not paid social security costs direct to HMRC or contributed to their pensions.

Note 3 – Operating Expenditure

	2025-26 £000	2024-25 £000
Property pre-acquisition costs	1,522	2,214
Property disposal costs	276	276
Employee-related costs	71	90
Consultancy and other professional fees	1	1
Board costs	94	88
Premises costs including rates and service charges	226	223
Catering	3	3
Marketing	58	45
IT and telecommunications costs	1	14
Travel and subsistence	107	126
Audit fees*	108	102
Other expenditure	2	1
Bank charges and interest	1	1
Total	**2,470**	**3,184**

*The NAO auditor’s remuneration relates to fees payable for the audit of the statutory annual accounts. The NAO fee was £63,600 including VAT for 2025-26 and £63,600 including VAT for 2024-25. The auditors did not provide any non-audit services. The figure for Audit fees includes the cost of internal audit.

Note 4 – Prepayments and Receivables

	2025-26	2024-25
	£000	**£000**
Prepayments	6	46
Receivables	0	3
Total current prepayments and receivables due within one year	**6**	**49**

Note 5 – Cash and equivalents

	2025-26 £000	2024-25 £000
Balance at 1 April	559	224
Net change in cash and cash equivalent balances	-251	335
Balance at 31 March	**308**	**559**
The following balances are held at:		
Cash at bank and in hand:		
Government Banking Service	308	559
Balance at 31 March	**308**	**559**
Overdrafts:		
Government Banking Service	-	-

Commercial banks	-	-
Balance at 31 March, net of overdrafts	**308**	**559**

Note 6 – Payables

	2025-26 £000	2024-25 £000
Trade payables	111	98
Tax and social security	148	134
Accruals	1,143	1,195
Total payables due within one year	**1,402**	**1,427**

Note 7 - Related Party Transactions

LocatED is an Arms-length Body of the Department for Education. The Department is regarded as a related party. During the year LocatED has a number of material transactions with the department:

- All of LocatED’s Grant-In-Aid was received from the Department.
- LocatED provides services to, and receives funding from, the Department pursuant to the terms and conditions set out in the Framework Document.

Note 8 – Shareholder capital and dividends

Share capital

The company issued one £1 Ordinary share for a consideration of £1 on 20 September 2016. The sole shareholder is the Secretary of State for Education. Following the issue of the share, the issued share capital of the company is £1.

Dividends

The company has not paid any dividends during the period and no dividends are proposed by the Directors.

Note 9 – Events after the reporting period

There have been no significant events after the reporting period.

This publication is available at www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to Alyson.gerner@education.gov.uk.

ISBN 978-1-5286-6276-5

E03554014

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

978-1-5286-6276-5

E03554014