

**ARK GLOBAL LLC  
FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION PURSUANT TO 17a-5(d)  
OF THE SECURITIES AND EXCHANGE COMMISSION AND  
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
DECEMBER 31, 2021**

**ARK GLOBAL LLC**  
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# YSL & Associates LLC

Certified Public Accountants

Member of Parker Randall International

11 Broadway, Suite 700, New York, NY 10004

Tel: (212) 232-0122 Fax: (646) 218-4682

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of  
ARK Global, LLC

### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of ARK Global, LLC (the "Company") as of December 31, 2021, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

*YSL & Associates LLC*

We have served as ARK Global, LLC's auditor since 2021.

New York, NY

February 17, 2022

**ARK GLOBAL LLC**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2021**

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**ASSETS**

Cash	\$	168,197
Accounts receivable		320,900
Accounts receivable from related party		4,320
Prepaid expenses		22,529
Furniture and computer equipment at cost, less accumulated depreciation of \$9,092		<u>2,951</u>
Total assets	\$	<u>518,897</u>

**LIABILITIES AND MEMBER'S EQUITY**

Liabilities:		
Accounts payable and accrued expenses	\$	5,389
Commission payable		<u>99,000</u>
Total liabilities		<u>104,389</u>
Member's equity		<u>414,508</u>
Total liabilities and member's equity	\$	<u>518,897</u>

The accompanying notes are an integral part of these financial statements.



**ARK GLOBAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**1. ORGANIZATION AND NATURE OF BUSINESS**

ARK Global LLC (the “Company”) was organized as a Limited Liability Company in 2007. The Company was granted membership in the Financial Industry Regulatory Authority (“FINRA”) on March 18, 2015. It is a registered broker-dealer with the Securities and Exchange Commission (“SEC”), and is a member of the Securities Investor Protection Corporation (“SIPC”).

The Company acts as an intermediary in the marketing of investment strategies for its Asset Manager clients to prospective institutional investors through registered investment advisors, consultants and/or third parties and directly to plan sponsors. The Company does not hold accounts or process transactions for customers.

Investors usually consist of institutional investors, pension plans and other legal entities meeting the regulatory definition of Qualified or Accredited investors.

Recent Issued Accounting Pronouncements

The Company does not believe that the adoption of any recently issued, but not yet effective, accounting standards will have a material effect on its financial position and results of operations.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The accompanying financial statements have been prepared in conformity with U.S generally accepted accounting principles (“GAAP”) and the rules and regulations of the United States Securities and Exchange Commission (the “Commission”). It is management's opinion, that all material adjustments (consisting of normal recurring adjustments) have been made which are necessary for a fair financial statement presentation.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

Accounting Basis

The Company uses the accrual basis of accounting for financial statement and income tax reporting. Accordingly revenues are recognized when services are rendered and expenses realized when the obligation is incurred.

Income Taxes

The Company is a single member limited liability company, is a disregarded entity for federal income tax purposes, and, thus, no federal income tax expense has been recorded in the financial statements. Taxable income of the Company is reported on the members individual tax return.

Pursuant to accounting guidance concerning provision for uncertain income tax provisions contained in Accounting Standards Codification (“ASC”) 740-10, there are no uncertain income tax positions. The federal and state income tax returns are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.



**ARK GLOBAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets, and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

The Company accounts for revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers. The Company's revenues are from consulting fees, fixed retainer fees, and a percentage of the Asset Manager's money management fee. Accordingly, the Company recognizes retainer fees and consulting fees in the period earned, with separate revenue recognition when the performance obligations have been satisfied.

Consulting agreements with Asset Managers are multi-year contracts. Consulting fees are accrued when earned. They are generally paid in arrears on or about the last day of each calendar quarter or month.

Marketing and sales fee contracts are also for multiple years. The Company is compensated by a percentage of the Asset Manager's money management fee. These fees are paid in arrears to the Asset Manager, usually within 45 days, after the end of each calendar quarter or month depending on the payment time frame of the particular strategy. The Company is then paid within 30 days after such fees are received by the Asset Manager.

Accounts Receivable

Accounts receivable is recorded at the amount the Company expects to collect on balances outstanding at year-end. The determination of the amounts of uncollectible accounts is based on the length of time each receivable has been outstanding, and a reasonable assessment of the capacity of the debtor to pay the receivable. The allowance for uncollectible amounts reflects the amount of loss that can be reasonably estimated by management and is included as part of operating expenses in the accompanying statement of operations. As of December 31, 2021, the Company has not recorded an allowance for any potential non-collection.

Allowance for Credit Losses

The Company follows ASC Topic 326, Financial Instruments – Credit Losses (“ASC 326”). The Company identified no fees receivable as impacted by the guidance. An allowance for credit losses may be based on the Company's expectation of the collectability of its receivables utilizing the CECL framework. The Company considers factors such as historical experience, credit quality, age of balances and current and future economic conditions that may affect the Company's expectation of the collectability in determining the allowance for credit losses. The Company's expectation is that the credit risk associated with its receivables is not significant. Accordingly, the Company has not provided an allowance for credit losses at December 31, 2021.

**ARK GLOBAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Fair Values of Financial Instruments

Financial Accounting Standards Board Accounting Standards Codification ("ASC") 825, "Financial Instruments," requires the Company to disclose estimated fair values for its financial instruments. Fair value estimates, methods, and assumptions are set forth below for the Company's financial instruments: The carrying amount of cash, accounts receivable, prepaid expenses and accounts payable and accrued expenses, approximate fair value because of the short maturity of those instruments.

Concentrations of Credit Risk

The Company places its cash with a high credit quality financial institution. The Company's account at this institution is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. To reduce its risk associated with the failure of such financial institution, the Company evaluates at least annually the rating of the financial institution in which it holds deposits.

**3. NET CAPITAL**

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000, and requires that the ratio of aggregate indebtedness to net capital, both as defined, not exceed 15 to 1. The rule also provides that equity capital may not be withdrawn, cash dividends paid or the Company's operations expanded, if the resulting net capital ratio would exceed 10 to 1. At December 31, 2021, the Company had net capital of \$63,808 which was \$56,849 in excess of the FINRA minimum net capital requirement of \$6,959.

**4. RELATED PARTIES**

The Company has a Market Service Agreement with Noble Ark Ventures LLC, a related party through common ownership, (the "Affiliate"), for administrative expense and marketing support provided by the Company. The Affiliate reimburses the Company for these services. As of December 31, 2021, expenses totaled \$16,170 and amounts not yet reimbursed for expenses reimbursable to the Company have been included in Accounts Receivable from Related Parties on the accompanying statement of financial condition, in the amount of \$4,320.

**5. CONCENTRATION OF CUSTOMER REVENUES**

For the year ended December 31, 2021, three customers accounted for 75% of the Company's fee income. Major customers are those that account for more than 10% of revenue.



**ARK GLOBAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**6. COMMITMENTS AND CONTINGENCIES**

Leases

The Company leased office space under a two-year lease for a base monthly rate of \$2,850 which expired on February 28, 2021. On January 12, 2021, the Company had leased a new office space which began on March 1, 2021. The base monthly rent is \$750 and the commitment is one year with the one year right to renew at same rate. The Company paid \$13,200 in office rent for the year ended December 31, 2021. The future minimum rental payments required under operating leases are as follows:

2022	\$ 1,500
	\$ 1,500

**7. LEGAL SETTLEMENT**

On June 7, 2021, The Company and one of its clients executed a Confidential Settlement Agreement to settle the dispute between the parties regarding their respective rights and obligations pursuant to a services agreement. The client agreed and paid \$252,250 to the company during the year ended December 31, 2021.

**8. COVID-19**

During the fiscal year of 2021, Coronavirus Disease (COVID-19) has continued to create major disruptions to the economy. The financial impacts to the Company have resulted in significantly reduced revenues. Management is monitoring the situation closely and expects to make needed changes to its operations should circumstances warrant in order to mitigate any negative long-term financial impacts on the Company.

The Company received a loan under the Paycheck Protection Program (PPP) from the Small Business Administration Management in the amount of \$31,100 on May 4, 2020. The loan was forgiven on January 6, 2021 as all provisions were met.

**9. SUBSEQUENT EVENTS**

The Company evaluated events occurring between the end of its fiscal year, December 31, 2021, and the auditor's report date, when the financial statements were issued. All subsequent events requiring recognition as of the auditor's report date, have been incorporated into these financial statements herein.