

Cogent Skills Limited
Annual Report and Financial Statements
for the year ended 31 December 2023

Company Registered number: 09361100

Charity Registration Number: 1166082

Cogent Skills Limited

Annual report and financial statements

for the year ended 31 December 2023

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Cogent Skills Limited

Strategic report for the year ended 31 December 2023

The trustees, who are also directors of the charitable company, present their strategic report on the Cogent Skills Limited group for the year ended 31 December 2023.

1. Review of business

Cogent Skills is committed to growing the nation's scientific talent base. A charitable organisation with a family of commercially focused companies, we re-invest our surplus to promote training and education across the science-based industries.

During the course of the year, our individual business units delivered a robust financial performance. In particular, SIAS – our regulated End-Point Assessment Organisation (EPAO) – demonstrated strong growth, fuelled by significant contract wins. While demand for bespoke process safety training in high-hazard regulated industries also boosted the performance of our courses and consultancy business.

The Membership Business Unit provides a strategic skills proposition to employers in both the science and nuclear sector. The Nuclear Skills Strategy Group (NSSG) represents the breadth and depth of the UK nuclear sector across both civil and defence. Cogent Skills was heavily involved in facilitating the development of the Nuclear Skills Task Force's National Nuclear Strategic Plan for Skills, and in the formation of a new collaborative structure to ensure its delivery against sector priorities.

As an employer-led representative voice, extending reach and influence requires strength in numbers. To that extent, we continued to forge close relationships with leading UK trade associations, seeking to add value to existing membership offers with specialist skills support services. Our deep understanding of the labour market, and a track record of devising and delivering careers outreach programmes, help address attraction and perception challenges across our sector. The Science Industry Partnership (SIP) which heads into its tenth year of operating, includes some of the most recognised names in industry working together to improve the outlook for skills.

Building on previous work in facilitating the development of the UK's first National Occupational Standards (NOS) for hydrogen production, storage, and transportation, Cogent published its first 'Greenprint for Skills'. The report was the result of an industry wide collaborative exercise designed to start the conversation about advancing the green skills and occupations required to achieve net zero in the UK science and technology sector.

Finally, to mark twenty-one years of supporting skills, we published our impact report at a House of Commons event featuring our people and our customers to highlight some of our key achievements over the last two decades.

The results on page 20 show a net income of £264,000 (2022: £165,000) with total income of £13,287,000 (2022: £11,197,000).

2. Strategic objectives

Cogent Skills is a group of companies comprised of Cogent Skills, Cogent SSC, Cogent Skills Services, Cogent Skills Training, NSAN and SIAS. Collectively these companies' purpose is entirely focused on skills and supporting the skills needs and ambitions of individual employers and their employees. Cogent Skills is sector based, working with companies from across the science industries embracing Life Sciences, Industrial Sciences and Nuclear. Cogent Skills is owned by the leading Science Industry Trade Associations.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

Cogent Skills Vision and Mission

Our Group Vision:

“Skills, to better our World”

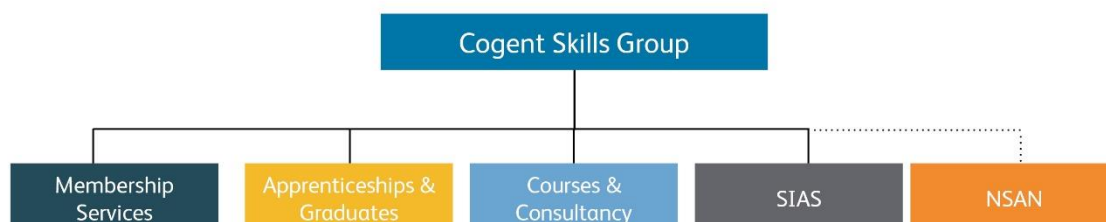
Our Group Mission:

“We are here to ensure Science & Technology employers have the skills needed for success. We influence for the good of our sector, harnessing the power of collaboration, and provide industry-specific skills services to create a safe and productive, future-ready workforce.”

An updated strategic plan covering 2024-26 set a direction of travel for the Cogent Skills group both in terms of the corporate objectives, supported by the Board and the individual business unit plans.

Business Units

Cogent Skills operates through five Business Units each with a unique service offering. Our subsidiary, the National Skills Academy for Nuclear (NSAN) operates distinctly with its own Business Plan and Board. The Businesses seek to support each other, unlocking synergies where possible, to benefit our customers and improve bottom line performance.



- Cogent Skills Limited is the Membership Services business unit and the central corporate team.
- Cogent SSC Limited is the apprenticeship delivery part of the Apprenticeships and Graduates business unit.
- Cogent Skills Services Limited provides employers with a managed apprenticeship service, also known as a Flexi-Job Apprenticeship Agency (FJAA) and is part of the Apprenticeships and Graduates business unit.
- Cogent Skills Training Limited is the Courses and Consultancy business unit.
- SIAS Limited is the end assessment business unit.
- NSAN Limited provides a range of skills services to companies operating in the Nuclear Industry.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

3. Development and performance

Membership Business Unit

Science Industry Partnership (SIP)

The SIP is a powerful membership alliance, offering employers the opportunity to collaborate on skills with one influential voice to government, ensuring the science sector is heard and understood. The SIP played a lead role in developing the 2030 Life Science Skills Strategy, which addresses the sector's skills requirements over the next decade.

The Life Sciences Skills Strategy is now delivered through Futures – the Futures Board is the skills advisory group to the Life Sciences Council. Currently, the new job forecasts in the report are being reviewed to understand new opportunities, job roles and areas of growth.

The SIP continues to work to ensure the apprenticeship system accurately reflects the needs of employers, via the Apprenticeship Strategy Group and SIP Apprenticeship Survey giving employers a platform and an influential voice to drive the skills agenda.

SIP labour market intelligence provides sector-wide insight into skills needs and new talent pipeline. The SIP Ambassador programme continues to equip science professionals with the skills and resources to inspire the next generation of STEM talent within schools in their own communities. The Careers Task Force, a group of early careers professionals are actively driving the outreach strategy for the sector, in areas including sustainability and equality, diversity and inclusion (ED&I).

In 2023 Cogent published its second ED&I survey and report, which examined the sector to understand the progress employers had made on the key equality indicators.

Nuclear Skills Strategy Group (NSSG)

The government-led Nuclear Skills Task Force (NSTF) was established in 2023 to address the skills shortage and workforce development challenges facing the UK nuclear industry. Comprising representatives from government, industry and academia, it was formed to ensure the UK has the necessary skilled workforce to support its nuclear energy programme and remain a global leader in the field.

Building on work of the Nuclear Skills Strategy Group (NSSG) and supported by Cogent Skills, it conducted a comprehensive review of current and future skills requirements. Based on this assessment, it developed a strategic action plan to bridge these gaps: the National Nuclear Strategic Plan for Skills (NNSPS). The NNSPS includes measures such as increasing the number of apprenticeships and graduate programmes in nuclear-related fields, promoting STEM education, and encouraging more women and diverse candidates to pursue careers in the nuclear sector.

To drive implementation of the NNSPS, the sector has now formed a new structure with three key groups:

- Nuclear Skills Executive Council (composed of CEOs) – to set strategic direction for the NNSPS and address any changes in strategy required
- Nuclear Skills Delivery Board (composed of nominees from NSEC organisations) – to provide overall leadership to ensure implementation of the Skills Plan while maintaining a strategic role for the nuclear sector on skills
- Nuclear Skills Review Group (composed of nominees from the NSDB and invited partners key to delivery of the agreed actions in the NNSPS) – to drive actions with partners for each of the work streams in the NNSPS

Cogent Skills was pleased to accept the sector's invitation to continue to provide strategic support for the Delivery Board and the Review Group, and to provide Programme Management Office services for the NNSPS.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

3. Development and performance (continued)

Standards

As part of our ongoing commitment to work for the good of the sector Cogent continues to support industry in the development of apprenticeship standards, ensuring they evolve to reflect changing needs and remain relevant for future entrants. During the course of the year, Cogent facilitated the development of the following standards for England:

- Polymer Processing Technician
- Battery Manufacturing Technician
- Process Industry Manufacturing Technician
- Science Manufacturing Technician (life science focus)
- Bulk Storage Terminal Technician (submitted for approval in March 2024)

Cogent has also worked with other sector partners – including EU Skills and ECITB – to revise the Science Industry Maintenance Technician and Maintenance and Operations Engineering Technician standard.

Apprenticeships and Graduates Business Unit

Employer Services

At the beginning of 2023, Cogent Skills became approved as a Flexi-Job Apprenticeship Agency (FJAA) by the Education and Skills Funding Agency (ESFA) – meaning it can provide, recruit and employ apprentices and arrange placements with a variety of host businesses for life science, industrial sciences and nuclear.

Cogent achieved its target of 80 starts through the FJAA during 2023, giving an 8% share of the current market (with more than 80% of learners hosted by life science employers).

Services also include the hosting and placement of undergraduates during their year in industry from four-year degree courses and first jobs in industry for newly qualified graduates. The tightening of budgets in the sector restricted starts but Cogent still hosted 50 students (around 1% of the graduate market in its sector).

Employer Services customers include employers in petrochemicals, nuclear equipment, powder processing, vaccines, pigments, coatings, medical devices, biotechnology, pharmaceuticals and polymers. Ambitions for 2024 include strengthening engagement with the industrial science sector and exploiting opportunities in emerging technologies.

Apprenticeship Delivery

Apprenticeship delivery is registered through the ESFA and accredited by City & Guilds, Pearson, GQA and NCFE. It offers five apprenticeship standards across the life and industrial science industry - the newest part of which is Science industry Maintenance Technician (SMT), a Level 3 standard. Much of the current business is in chemical manufacturing, petrochemicals and pharmaceuticals with the laboratory technician apprenticeship crossing into research and development functions across employers within biotechnology, consumer goods, food and drink, pharmaceuticals, chemicals, energy oil and gas, coatings, and medical devices, but with new customers in technology and supply chain.

Quality and compliance has remained at the forefront, building on the Quality Improvement Plan (QIP) and enhancing the Self-Assessment Report (SAR) to maintain compliance with the Education Skills Funding Agency (ESFA) and Ofsted. During 2023 Cogent maintained quality standard ISO9001 and Matrix Standard accreditation, both being reviewed during the year, with no improvements required or recommendations (allowing Cogent SSC to deliver high quality advice and guidance to learners on progression and careers options).

Cogent also achieved Ofsted Grade 2 (Good) following a visit in June 2023. An internal compliance audit delivered 0% errors and a solid processes report, while improving all provider outcomes and feedback through the government apprenticeship service gave CSSC an excellent rating – all of which puts the provider business in a very strong position for growth.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

3. Development and performance (continued)

The focus during 2023 was on increasing learner numbers with an ambitious target of 150 starts – there are now around 250 live learners with further growth planned for 2024. Digitalization of learning content remains a priority, along with enhancing the curriculum, enriching learner content and introducing transitional and emerging technologies.

Courses and Consultancy Business Unit

Our Courses and Consultancy business unit performed strongly during a year that saw returning and new companies engaging in regulatory training for topics such as process safety and human factors.

This is at least partly due to companies coming back online after Covid-19 and restarting their training plans. With the HSE increasing inspections, companies have started to catch up with their workforce training with Cogent as their trusted partner for regulatory/behavioural training. The business has ensured delivery and marketing plans align with these emerging trends.

Noteworthy successes have been contracts with four large organisations – which have all rolled out bespoke process safety courses - and commissioning a number of new products. Bespoke course income generated over £500,000 of income during 2023.

One of the additional strategies has been to increase the portfolio organically, including the launch of NEBOSH courses developed specifically for industry. Delivery has grown from £14,000 in 2022 to £74,000 in 2023, while the business also introduced permit-to-work courses and we will continue to expand the portfolio in 2024.

Several consultancy projects covering competence management and human factors models were successfully delivered in sectors including industrial chemicals, pharmaceuticals, oil and gas, water and utilities, composites, mining and explosives. Many of these will continue into 2024, providing longer-term income.

Added together this was an exceptional year for course delivery with more courses delivered in 2023 than in any other year. Credit goes to the team for managing this effectively and efficiently and to the quality of the trainers.

Customer feedback regarding training remains positive with a score of 3.85/4, while flexibility and customer service has scored strongly, leading to several industry case studies as well as further business.

Several well-attended webinars for potential clients and trade association members were delivered, focusing on process safety leadership management and how to deliver effective competence management processes.

The business has also exhibited (and in some cases had speaker slots) at events including Chem UK, Tank Storage Association and Hazards33, promoting the importance of process safety management and competence management systems to the safety of the industry.

Science Industry Assessment Service (SIAS)

SIAS is an Ofqual-approved and regulated End-Point Assessment Organisation (EPAO), providing apprenticeship assessment services for and to the technical science, manufacturing, and engineering industries.

SIAS works with a range of employers, providers and other stakeholders across the apprenticeship and skills sector.

SIAS delivered an exceptionally strong year across 2023, following a very successful 2022, as the business continues to grow at pace. A strong commercial performance and healthy pipeline, fuelled by several new and significant contracts and the consistent strengthening of existing partnerships, saw the number of new learner registrations for the year exceeded 2,000. This is almost double the registrations achieved in the previous financial year – this positive lead indicator performance, combined with a record number (789) of End-Point Assessments (EPAs) delivered, ensured very positive full year financial outcomes.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

3. Development and performance (continued)

In 2023 SIAS continued to expand its product portfolio and was approved to deliver EPA services for an additional 10 new standards, taking the total to 24 – which delivered strong coverage across all key STEM disciplines. SIAS has developed another strong product roadmap for the coming year to continue achieving business goals in 2024 and beyond.

The selection, implementation and launch of QuestionMark – a first online testing and assessment system for SIAS – was another major achievement in 2023. This delivered greater efficiencies and strengthened operational and compliance processes internally, as well as contributing to an evolving value proposition to customers and the market.

Operationally, 2023 saw the successful roll-out of an innovative start-point to end-point customer support and EPA planning model, which further strengthened the value proposition into market and supported growth. Targeted investment into people, wider resources and infrastructure continued throughout the year, aligning with growth and strategic planning, ultimately to ensure capacity and capability was at an optimum level.

SIAS's commitment to quality and ongoing improvement remained a constant in 2023: a robust continuous improvement plan was implemented to ensure all policies and processes remained fully compliant. This culminated in SIAS submitting a second annual Statement of Compliance to the regulator in December.

2024 promises to be another exciting one commercially and strategically for SIAS, building on the success of the previous two years. With plans to expand the EPA portfolio by an additional nine standards, several new significant commercial partnerships with national employers and providers beginning, and continued investment in people and infrastructure to support growth, SIAS remains focused on becoming one of, if not the, leading EPAO nationally.

In addition, in 2024 SIAS plans to apply to expand its Ofqual scope of recognition to achieve full Awarding Organisation (AO) status. EPA services will remain a central focus, but the move to full AO opens a range of opportunities to support STEM industries in England and internationally through new assessment products and skills-based solutions and services, including a regulated qualification offering.

National Skills Academy for Nuclear

NSAN is a subsidiary of the Cogent Group and is the collective skills forum for the nuclear industry, working closely with a range of employers, stakeholders, industry groups and training providers. It delivers proactive support to the industry – offering a wide variety of skills training, guidance and solutions – and operates across three main areas:

Membership

Employer and provider membership remains a key strength, with organisations receiving one-to-one support. Membership increased in 2023 and is expected to continue into 2024. In 2023, NSAN focussed on two key themes: recruitment and retention; and social value.

Commercial

NSAN delivers courses online and face-to-face through its Nuclear Training Network, which also includes bespoke support to address customers' specific needs. NSAN has seen a surge in demand in 2023, with 113% growth in learner numbers and nearly 7,000 people trained.

Competence & Assessment

NSAN plays a crucial role in maintaining high standards in a range of apprenticeships and undertakes independent assessment of apprentices against a range of standards. NSAN has a high quality competence management platform, skills assured, which is utilised by its customers with flexibility for it to integrate into existing in-house platforms through SSO. The system continued to be developed with 2023 seeing the integration of electronic badges into the system from training undertaken in NSAN's e-learning platform.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

3. Development and performance (continued)

Cogent in the Devolved Administrations

Throughout 2023, Cogent has been involved in a number of projects in the devolved administrations:

- Review of the explosives suite of national occupational standards (NOS)
- Developed a suite of new NOS for battery manufacturing, building on the work of the apprenticeship standard developed in 2022/2023
- Continuing to work with the low-carbon sector to develop NOS to deliver skills for transitioning industries

On government policy, in early 2023 Cogent took part in a qualification consultation by IfATE and submitted a response on the Advanced British Standard consultation.

Cogent People

Cogent Skills celebrated its 21st birthday throughout 2023 – this included the publication of an impact report highlighting the businesses’ growth and successes over that time, which was launched at a gala event at the Houses of Parliament in London.

During 2023, Cogent launched its ‘Values Awards’ a reward and recognition programme designed to acknowledge and reward employees for their contributions, achievements, and behaviours that align with our goals and values.

We also continue to hold quarterly Communication Days and biannual away days, which serve to bring remote team members together for updates and discussions about business performance.

Looking ahead

Cogent’s Strategic Plan sets the direction of travel for 2024-2026 and beyond. It builds on previous success but represents a slight shift in response to changes in the external environment and key skills trends. A sustainable return ensures delivery of the charitable objectives of the business with the goal of redirecting commercial income to facilitate charitable good causes aligned to the interests of Cogent’s customers, people and the industries we serve.

The adoption of a balanced scorecard approach balances financial measures with performance measures and objectives related to all other parts of the organisation.

4. Principal risks and uncertainties

The trustees consider the principal risks and uncertainties to be related to financial risk and these are discussed on page 13 in the Trustees’ report.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

5. Financial review

The group's performance during 2023 reflected a positive year with all the subsidiaries generating a trading surplus.

The results for the year show a net income of £264,000 (2022: £165,000). Total income increased by 19 per cent to £13,287,000 (2022: £11,197,000) and total expenditure increased by 18 per cent to £13,023,000 (2022: £11,032,000). As at 31 December 2023, the unrestricted reserves of the group amounted to £1,996,000 (2022: £1,732,000).

Cogent Skills Limited made a surplus of £873,000 (2022: £110,000). This includes Gift Aid of £1,230,000 (2022: £318,000). Gift aid includes £750,000 received from Cogent SSC Limited following the deregistration from OSCR of Cogent SSC Limited as a charitable organisation.

Cogent SSC Limited made a deficit of £747,000 (2022: £48,000). Income was higher at £1,089,000 (2022: £717,000). Gift Aid of £750,000 (2022: £nil) is included in the results.

Cogent Skills Services Limited (CSS) made a surplus of £6,000 (2022: £42,000). Gift Aid of £32,000 (2022: £118,000) is included in the results.

Cogent Skills Training Limited (CST) made a surplus of £38,000 (2022: £2,000).

NSAN, the nuclear academy, made a surplus of £88,000 (2022: £52,000) on income of £1,684,000 (2022: £1,504,000).

The Science Industry Assessment Service Limited (SIAS) made a surplus of £6,000 (2022: £7,000). Gift Aid of £448,000 (2022: £200,000) is included in the results. SIAS had a strong performance from an expanding product portfolio.

The balance sheet remains robust with key movements in debtors and deferred income. Debtors increased due to a strong end to the year and deferred income increased primarily due to project income being received in 2023 and the associated expenditure to be incurred in 2024.

The group's accounting policies are set out in note 1 to the financial statements. These policies are consistent with the accounting policies applied in previous years.

Reserves policy

As at 31 December 2023, the unrestricted reserves of the group amounted to £1,996,000 (2022: £1,732,000). The target level of reserves of the charity is £2,500,000 representing a minimum six months operating costs of the charity and ensuring that sufficient funds are available to sustain the group. The reserves policy is reviewed annually.

Cogent aim to make surpluses over time to help preserve the viability of the charity and provide confidence to those providing funding that the charity is prudently controlled. At present, the trustees conclude that they have sufficient reserves to continue the activities of the charity at the current level. Taking into account the future activities and the current economic environment the trustees expect to reach the targeted level of reserves within five years.

Our investment strategy is to place any surplus funds on deposit with recognised institutions, to maximise interest earned for the charity.

Going concern

Forecasts have been prepared through until December 2026 which take account of the current environment and possible future developments. The cash balances and available facilities are sufficient to remove any concerns over liquidity and the going concern basis of preparation of the accounts.

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Cogent Skills Limited

Strategic report for the year ended 31 December 2023 (continued)

5. Financial Review (continued)

Income generation

Cogent's main sources of revenue are products and services delivered in the UK, employer contributions and project funding from government and other agencies. The principal funding sources were funding from the ESFA, external grant income and subscription income from employers.

Expenditure

The main expenditure for the charitable group continues to be remuneration costs amounting to 36 per cent (2022: 37) of total expenditure.

Key performance indicators ("KPIs")

Monthly management reports are produced, providing information on the key performance indicators of the business. These are reviewed at monthly team meetings and at Directors' meetings. This facilitates the assessment and mitigation of risks and determines the future direction and activities required to meet targets. The KPIs on which the Group focuses are:

- Net surplus
- Cash balances
- Income streams

Approved by the board of trustees and signed on its behalf by:

joanna woolf

J Woolf

Trustee

29/08/24

Cogent Skills Limited

Trustees' report for the year ended 31 December 2023

The trustees present their report and the audited consolidated financial statements for the year ended 31 December 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. Reference and administrative details

The charity, Cogent Skills Limited is registered with Companies House with Company registration number 09361100 and charity registration number 1166082 with the Charity Commission for England and Wales.

The directors of the charitable company are its trustees for the purpose of charity law. The trustees and officers serving during the year and up to the date of signing the financial statements were:

Chairman

J Woolf

Trustees

J Fosh

K Gorge

S Elliott

N Gardiner

K Woods-Ruddick

C Reed

E Collins

J Howe

E De Jong

S Harris appointed 28 March 2023

K Mingay appointed 28 March 2023

S Ferns appointed 1 June 2023

Other trustees who served during the financial year:

T Burke resigned 28 March 2023

S Earp resigned 2 April 2024

Principal Office

First Floor, 720

Mandarin Court

Lakeside Drive

Centre Park

Warrington

WA1 1GG

Registered Office

First Floor, 720

Mandarin Court

Lakeside Drive

Centre Park

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WA1 1GG

Chartered Accountants & Statutory Auditors

RSM UK Audit LLP

14th Floor

20 Chapel Street

Liverpool

L3 9AG

Cogent Skills Limited

Trustees' report for the year ended 31 December 2023 (continued)

1. Reference and administrative details (continued)

Solicitors

GLP Solicitors
4th Floor
8 Haymarket Street
Bury
BL9 0AR

Bankers

Bank of Scotland
31 High Street
Montrose
DD10 8LT

Cogent Skills Limited

Trustees' report for the year ended 31 December 2023 (continued)

2. Structure, governance and management

Governing document

Cogent Skills Limited (Cogent) is a company limited by guarantee with charitable status, registered with the Charity Commission for England and Wales. Cogent is governed by its Memorandum and Articles of Association to allow for its current governance arrangements. There are currently 7 members (2022: 7), each of whom agrees to contribute £10 in the event of the charity winding up.

Governance

The board and executive are committed to executing business in a transparent, fair and ethical way. We have embraced the Code of Good Governance for Charities and use this to ensure compliance, accountability and continuous improvement as well as the ethical standards set out in the 7 Nolan Principles.

Activities

Cogent Skills Limited is on the register of charities in England and Wales with a number of charitable objectives around the educational, training and development needs of employers and employees in the science based industries.

Cogent Skills plans to promote and organise co-operation between employers, employees, schools, providers, local authorities and other skills partners around training and education.

Cogent Skills is sector-based, working with companies from across the science industries embracing life sciences, industrial sciences and nuclear. Cogent Skills has particular expertise in STEM and industry regulation with respect to skills and competence.

Cogent Skills Vision is for 'Skills, to better our world'

Cogent Skills strategic objectives are:

- To have a pipeline of young people with the capability, drive and ambition to build a globally competitive science based industry in the UK; and
- To support the development of the existing workforce to acquire the skills needed to adopt new technologies and innovate new products and services.

The Cogent Group comprises Cogent Skills Limited, Cogent SSC Limited, Cogent Skills Services Limited (CSS), Cogent Skills Training Limited (CST), Science Industry Assessment Service Limited (SIAS) and National Skills Academy for Nuclear Limited (NSAN).

Cogent Skills Limited, Cogent SSC, CSS and SIAS work together to support the science industries under the new leadership of the Science Industry Partnership (SIP).

Cogent Skills Training Limited promotes and provides vocational education training and re-training to improve the skills of the science-based workforce and to promote the development of industry, commerce and enterprise of all forms primarily for the benefit of the science-based industries.

NSAN works independently and is the nuclear industry's leading, not for profit, membership organisation for the sourcing and provision of skills solutions.

The approach is evidence-based and employer-led, with the ambition to boost sector innovation, growth, and competitiveness through skills. Cogent Group solutions are adopted by every size of organisation, from SMEs through to global companies.

Appointment of trustees

As set out in the Articles of Association, the trustees are appointed by the members through the nominations committee. The nominations committee is made up of up to five trustees. It considers the requirement for specialist skills and appropriate representation when recommending trustees to the board. Each owner member of Cogent has the right to nominate trustees to the board such that each owner member will have no more than one representative trustee.

Cogent Skills Limited

Trustees' report for the year ended 31 December 2023 (continued)

2. Structure, governance and management (continued)

Training and induction for trustees

All trustees receive an induction pack on joining the Board which includes the Memorandum and Articles of Association, the Cogent business plan and annual report. Training for trustees takes place to brief them on their legal obligations under charity and company law.

Organisation

The Board of Trustees administers the charity. The Board meets quarterly and there are sub-committees covering nominations, finance and audit and remunerations, which meet as and when required. A Chief Executive Officer is appointed by the Board to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance and employment.

Key management personnel remuneration policy

Benchmarking exercises are conducted throughout the year for key personnel which involves reviewing other organisations within similar industries and within the charities and public sectors. The executive directors review the remuneration of key personnel and the remunerations committee reviews the remuneration of the executive directors. The remunerations committee also reviews bonus payments and the annual cost of living change for board approval.

Internal control

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The trustees review the strategic plan and annual budget and approve the same. They consider the financial results on a regular basis including variances from budgets. The audit committee meets at least twice a year under its terms of reference.

Related parties

The charity has five wholly-owned subsidiaries – Cogent SSC Limited, National Skills Academy for Nuclear Limited (NSAN), Cogent Skills Training Limited (CST), Cogent Skills Services Limited (CSS) and Science Industry Assessment Service Limited (SIAS).

Public benefit requirement

The charity trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Financial risk management

The following statements summarise the charity's policy in managing identified forms of financial risk:

Price risk: The charity negotiates income to finance the charity's activities and incorporates this information into its business plans and budgets. Incremental increases to salaries are communicated to staff during the formal annual review of salaries. Prices of materials and services purchased are subject to contract with suppliers, based on current market prices.

Credit risk: Credit risk on amounts owed to the charity by its customers is low, as the majority of debtors are the government, large established employers and government funded providers.

Liquidity risk: The charity has no long term borrowing. The charity will make use of its overdraft facility if required.

Interest rate cash flow risk: The charity is able to place surplus funds on short term deposit with the group's bankers.

Cogent Skills Limited

Trustees' report for the year ended 31 December 2023 (continued)

3. Plans for future periods

Our business plan highlights Cogent's priorities for 2024-26, including a focus on returning a surplus to the charity while ensuring investment in the core infrastructure for growth.

Following direction from our Board, the development of our early careers offering (building talent pipelines across the industries we serve) and low carbon support have been prioritised and will result in greater investment and ongoing oversight from the Board.



Strategic work is undertaken within the parent company Cogent Skills Limited and is largely delivered through an employer led agenda of collaborative forums with a financial membership model. It remains the Trustees' intention to grow the main offers and services delivered through the business units and subsidiary companies with the aim of contributing a surplus to the charity to subsidise the costs of the strategic activity.

4. Statement of disclosure of information to auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditors are unaware, and
- the trustees, having made enquires of fellow directors and the group's auditors that they ought to have individually undertaken, have each taken all the steps necessary as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(1) of the Companies Act 2006.

5. Trustees' indemnities

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

Cogent Skills Limited

Trustees' report for the year ended 31 December 2023 (continued)

6. Statement of trustees' responsibilities

The trustees (who are also directors of Cogent Skills Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare group and charitable company financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charitable company and of the profit or loss of the group and the charitable company for that period.

In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

7. Independent Auditors

The auditors, RSM UK Audit LLP, have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an AGM.

The Report of the Trustees and the Strategic Report were approved by the Board of Trustees on 29/08/24

On behalf of the Board

joanna woolf

J Woolf
Trustee

Cogent Skills Limited

Independent auditor's report to the members of Cogent Skills Limited

Report on the financial statements

Our opinion

We have audited the financial statements of Cogent Skills Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Account, the Consolidated and Company Balance Sheets, and the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Cogent Skills Limited

Independent auditor's report to the members of Cogent Skills Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report or the Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

Cogent Skills Limited

Independent auditor's report to the members of Cogent Skills Limited (continued)

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document and tax legislation.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to ESFA funding guidance, Ofsted requirements, OFQAL, the Register of Accredited Training Providers, the Register of End Point Assessment Organisations, and the Apprenticeship Training Agency Framework. Compliance with these requirements is required to remain on certain HM Government registers. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the completeness and cut-off of certain revenue transactions as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. The audit team also performed testing over the completeness of income, including reviewing transactions around the year end to ensure included in the correct period, and tracing bank receipts through to income.

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

Cogent Skills Limited

Independent auditor's report to the members of Cogent Skills Limited (continued)

Use of our report

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

Laura Inglesby

Laura Inglesby FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
RSM UK Audit LLP
14th Floor
20 Chapel Street
Liverpool
L3 9AG

Date: 29/08/2024

Cogent Skills Limited
Consolidated Statement of Financial Activities
for the year ended 31 December 2023

	Note	2023 £'000	2022 £'000
Income and endowments from:			
Charitable activities	3	13,243	11,195
Investment income	4	44	2
Total income		13,287	11,197
Expenditure on:			
Charitable activities	5	13,023	11,032
Total expenditure	5	13,023	11,032
Net income		264	165
Fund balances brought forward at 1 January		1,732	1,567
Fund balances carried forward at 31 December		1,996	1,732

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The trustees consider all the fund balances as being unrestricted.

Cogent Skills Limited

Consolidated Summary Income and Expenditure Account for the year ended 31 December 2023

Continuing operations	Note	2023 £'000	2022 £'000
Income			
Charitable income	3	13,243	11,195
Total income		13,243	11,195
Expenditure			
Charitable expenditure	5	13,012	11,032
Total expenditure		13,012	11,032
Surplus for the financial year before interest and taxation		231	163
Interest receivable	4	44	2
Surplus for the financial year before taxation		275	165
Taxation on Surplus	2	(11)	-
Surplus for the financial year		264	165

The consolidated income and expenditure account is derived from the Consolidated Statement of Financial Activities.

Cogent Skills Limited

Balance Sheets as at 31 December 2023

		Group		Company	
	Note	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Intangible assets	9	36	22	20	22
Tangible assets	10	86	102	46	55
Investments	11	-	-	140	140
Total fixed assets		122	124	206	217
Current assets					
Debtors	12	3,454	2,227	846	562
Investments - money market deposits	22	750	500	-	-
Cash at bank and in hand		1,916	1,962	1,214	143
Total current assets		6,120	4,689	2,060	705
Creditors: amounts falling due within one year	13	(4,234)	(2,949)	(1,075)	(613)
Net current assets		1,886	1,740	985	92
Total assets less current liabilities		2,008	1,864	1,191	309
Creditors: amounts falling due after more than one year	14	(12)	(132)	(9)	-
Net assets		1,996	1,732	1,182	309
The funds of the Charity					
Unrestricted income funds	18	1,996	1,732	1,182	309
Total charity funds	19	1,996	1,732	1,182	309

The movement in the net funds of the group attributable to the parent charitable company was £873,000 (2022: £110,000). The residual net movement of £609,000 deficit (2022: surplus of £55,000) is attributable to subsidiary undertakings.

The financial statements on pages 20 to 45 were approved by the Board of Trustees and were signed on its behalf by:

joanna woolf

**J Woolf
Trustee**

Date: 29/08/24

Company Registered Number 09361100

Charity Registration Number 1166082

Cogent Skills Limited

Consolidated cash flow statement for the year ended 31 December 2023

	Note	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Net cash inflow/ (outflow) from operating activities	21		390		(253)
Return on investments and servicing of finance					
Interest received		44		2	
Net cash inflow from returns on investments and servicing of finance			44		2
Capital expenditure and financial investment					
Purchase of intangible fixed assets		(25)		(22)	
Purchase of tangible fixed assets		(25)		(101)	
Net money market deposits	22	(250)		(500)	
Net cash (outflow) from investing activities			(300)		(623)
Financing activities					
Repayment of long term debt		(180)		(48)	
Net cash (outflow) from financing activities			(180)		(48)
Net (decrease) in cash and cash equivalents			(46)		(922)
Cash and cash equivalents at the beginning of the year			1,962		2,884
Cash and cash equivalents at the end of the year	22		1,916		1,962

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023

1 Principal accounting policies

The financial statements have been prepared under the historic cost convention, on a going concern and accruals basis, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities and preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cogent Skills Limited (incorporated in England and Wales) meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements, is set out below.

The financial statements are presented in sterling (£) and the functional currency is sterling (£), rounded to the nearest £'000.

General Information

The Charity is a registered charity and is incorporated in England. The address of its registered office is First Floor, 720 Mandarin Court, Lakeside Drive, Centre Park, Warrington, Cheshire, United Kingdom, WA1 1GG.

Reduced disclosures

In accordance with FRS 102, the group has taken advantage of the exemptions from the following disclosure requirement in the individual financial statements of Cogent Skills Limited:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches; and details of hedges and hedging fair value changes recognised in profit or loss and in other comprehensive income.

Consolidation

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All Intra-group transactions are eliminated on consolidation. The accounting policies are uniform throughout the group with the exception of the capitalisation policy detailed on page 25.

As permitted by section 408(3) of the Companies Act 2006, the parent company's individual income and expenditure account has not been included in these financial statements as a primary financial statement. The parent company's result for the financial year was £873,000 (2022: £110,000).

Going concern

Forecasts have been prepared through until December 2026 which take account of the current environment and any possible future developments. The cash balances and available facilities are sufficient to remove any concerns over liquidity and the going concern basis of preparation of the accounts.

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Company status

The company is a company limited by guarantee with charitable status.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Principal accounting policies (continued)

Fund accounting

All funds are classed as unrestricted funds which are available for use at the discretion of the members in furtherance of the general objectives of the company and which have not been designated for other purposes.

Incoming resources

All incoming resources are included in the SOFA when the company is legally entitled to the income, the amount is probable and the amount can be quantified with reasonable accuracy. Income includes grants receivable, investment income, membership fees and other commercial income which represents the invoiced value of goods and services supplied.

Income from donations and grants is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to the charity or its subsidiary undertakings must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until pre-conditions for use have been met.

Deferred income

Income is deferred where funds are received in advance and the contract has only been partly completed at the balance sheet date. Income is released on a systematic basis in line with costs incurred.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Cost of charitable activities comprises those costs incurred by the charity in the delivery of its aims and objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and board meeting expenditure.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whereas support costs are apportioned on a per capita basis.

Irrecoverable VAT

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Investments

Investments in subsidiary undertakings are included at cost except where provision is made against an identified impairment.

Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation. The cost of intangible fixed assets is their purchase cost or transfer value, together with any incidental expenses of acquisition. Amortisation is calculated so as to write off the cost of intangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned, as follows:

Software	3-4 years
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The expected useful lives of the assets are reassessed periodically in the light of experience. Capital grants are deferred and released in line with the amortisation policy for the grant funded assets purchased.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Principal accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost or transfer value, together with any incidental expenses of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned, as follows:

Plant and machinery	3-8 years
Grant funded assets	3-8 years
Fixtures and fittings	3-8 years
Computer equipment	3-4 years

The expected useful lives of the assets are reassessed periodically in the light of experience. Capital grants are deferred and released in line with the depreciation policy for the grant funded assets purchased.

Cogent Skills Limited operates a policy where items with a value below £500 are not capitalised whereas the consolidated subsidiary undertakings operate to a policy of where there is no minimum capitalisation value.

Impairment

The company reviews tangible fixed assets and investments for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recovered. If the carrying amounts are not expected to be recovered by discounted future cash flows, the assets are impaired and an impairment loss recorded in the SOFA.

Cash held on behalf of third parties

Cash is held on behalf of third parties where the charity is legally bound to pay this cash to a third party and has no responsibility for its ultimate application. In these circumstances the transaction is legally a transfer of resources from the principal to the specified third party and the principal retains legal responsibility for ensuring the charitable application of the funds. The group is simply acting as an intermediary and therefore does not recognise these funds on the balance sheet.

Money market deposit

Money market funds are term deposits of 12 months or less with well known UK banking institutions with high credit ratings.

Leases

All leases are operating leases and are charged to the SOFA / income and expenditure account on a straight line basis over the lease term.

Taxation

The charity has been granted charitable status by the Inland Revenue and therefore is not liable for corporation tax. The charity's trading subsidiaries are liable for corporation tax.

The tax expense represents the sum of the current tax expense and deferred tax expense.

Current tax assets are recognised when tax paid exceeds the tax payable. Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Principal accounting policies (continued)

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allowed for tax in a future period except where the Company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Current and deferred tax, other than the tax effects of distributions to owners, is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

The tax expense or income effects of distributions to owners are recognised in profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Multi-employer pension plan

Cogent SSC Limited participated in the ITB Pension Scheme, a multi-employer pension plan defined benefit scheme. The company is not legally responsible for the plan and does not have sufficient information to use defined benefit accounting. Where the plan is in deficit and where the entities have agreed with the plan to participate in a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. Payments made to the Plan are offset against this creditor. Where there is a change in the value of the contributions to be paid to the Plan as a result of the deficit funding arrangement the change is recognised in the Statement of Financial Activities in the period in which the agreement is signed by both parties. The unwinding of the discount is recognised as a finance cost. Further pension details can be found in notes 16 and 19 to the financial statements.

From 1 April 2017 the remaining employees who participated in the defined benefit scheme were transferred into the defined contribution scheme for future service benefits. From 1 August 2022 Cogent SSC Limited employees participate in a separate defined contribution scheme outside of the ITB scheme.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Principal accounting policies (continued)

During 2022 Cogent SSC Limited entered into a flexible apportionment arrangement with the ITB Pension Scheme where the parent company Cogent Skills Limited took over responsibility for all the liabilities in relation to the defined benefit scheme.

Defined contribution pension plan

Cogent Skills Limited, Cogent Skills Services Limited, Cogent Skills Training Limited and Science Industry Assessment Services Limited all participate in the defined contribution scheme of the ITB. The cost recognised in the SOFA is equal to the contributions payable for the year. The assets of the plan are held separately from the company in independently administered funds.

National Skills Academy for Nuclear Limited participate in a separate defined contribution pension scheme. The cost recognised in the SOFA is equal to the contributions payable for the year. The assets of the plan are held separately from the company in independently administered funds.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities at amortised cost

Trade, group and other debtors

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost using the effective interest method. The effective interest rate is the market rate used to determine initial measurement adjusted to amortise directly attributable transaction costs.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract.

Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Trade creditors, group and other creditors

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

1 Principal accounting policies (continued)

Trade creditors, group and other creditors (continued)

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost, being transaction price less any amounts settled and the cumulative amortisation (using the effective interest method) of any difference between the amount at initial recognition and the maturity amount. The effective interest rate is the rate that discounts estimated future cash payments to the carrying amount of the financial liability.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some (but not substantially all) risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees consider that there are no material sources of estimation uncertainty.

Critical areas of judgement

Debtor provision

A provision for bad and doubtful debts is established when there is objective evidence that the amounts due will not be collected in line with the usual fee collections.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

2 Commercial trading operations and investments in trading subsidiaries

The charity has five wholly owned trading subsidiaries Cogent SSC Limited, National Skills Academy for Nuclear Limited (“NSAN”), Cogent Skills Training Limited (“CST”), Cogent Skills Services Limited (“CSS”) and Science Industry Assessment Service Limited (“SIAS”) which are incorporated in the UK.

Income and expenditure accounts for the year ended 31 December 2023

	Cogent Skills Limited £'000	Cogent SSC Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Inter Co Elim £'000	Total 2023 £'000
Income	2,534	1,089	1,684	1,209	5,391	2,633	(1,297)	13,243
Expenditure	(1,686)	(1,836)	(1,605)	(1,171)	(5,384)	(2,627)	1,297	(13,012)
Surplus/(deficit) for the financial year before interest and taxation and after gift	848	(747)	79	38	7	6	-	231
Interest receivable	25	-	19	-	-	-	-	44
Surplus/(deficit) for the financial year before taxation	873	(747)	98	38	7	6	-	275
Taxation on Surplus/(deficit)	-	-	(10)	-	(1)	-	-	(11)
Surplus/(deficit) for the financial year	873	(747)	88	38	6	6	-	264

Taxation on Surplus	2023 £'000	2022 £'000
Current tax:		
UK corporation tax on Surplus for the year	11	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Taxation on Surplus	11	-

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

2 Commercial trading operations and investments in trading subsidiaries (continued)

Income and expenditure accounts for the year ended 31 December 2022

	Cogent Skills Limited £'000	Cogent SSC Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Inter Co Elim £'000	Total 2022 £'000
Income	1,295	717	1,504	904	5,333	1,872	(430)	11,195
Expenditure	(1,185)	(765)	(1,454)	(902)	(5,291)	(1,865)	430	(11,032)
Surplus/(deficit) for the financial year before interest and taxation	110	(48)	50	2	42	7	-	163
Interest receivable	-	-	2	-	-	-	-	2
Surplus/(deficit) for the financial year before taxation	110	(48)	52	2	42	7	-	165
Taxation on Surplus/(deficit)	-	-	-	-	-	-	-	-
Surplus/(deficit) for the financial year	110	(48)	52	2	42	7	-	165

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

2 Commercial trading operations and investments in trading subsidiaries (continued)

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The tax assessed for the year is different to the standard effective rate of corporation tax in the UK for the year ended 31 December 2023 of 25% (2022: 19%). The differences are explained below:

	Cogent SSC Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Total 2023 £'000	Total 2022 £'000
(Deficit)/surplus for the financial year before taxation	(747)	98	38	7	6	(598)	55
(Deficit)/surplus for the financial year at standard tax rate in the UK of 25% (2022: 19%)	(187)	25	9	2	2	(149)	10
Effects of:							
Losses (utilised)	-	(5)	(9)	-	-	(14)	(19)
Losses not utilised	187	-	-	-	-	187	9
Expenses (deductible)/ not deductible for tax purposes	-	(10)	-	(1)	(2)	(13)	-
Current tax for the year	-	10	-	1	-	11	-

Factors affecting future tax charges

The rate of UK corporation tax increased to 25% from April 2023.

The assets and liabilities of the subsidiaries at 31 December 2023 were:

	Cogent SSC Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Total £'000
Fixed assets	9	7	10	3	27	56
Current assets	163	1,871	390	1,073	662	4,159
Creditors: amounts falling due within one year	(113)	(1,182)	(460)	(1,008)	(495)	(3,258)
Creditors: amounts falling after more than one year	-	-	(4)	-	-	(4)
Net assets/(liabilities)	59	696	(64)	68	194	953

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

2 Commercial trading operations and investments in trading subsidiaries (continued)

The assets and liabilities of the subsidiaries at 31 December 2022 were:

	Cogent SSC Limited £'000	NSAN £'000	CST £'000	CSS £'000	SIAS £'000	Total £'000
Fixed assets	12	7	14	6	7	46
Current assets	867	1,519	368	896	578	4,228
Creditors: amounts falling due within one year	(73)	(918)	(484)	(839)	(265)	(2,579)
Creditors: amounts falling after more than one year	-	-	-	-	(132)	(132)
Net assets/(liabilities)	806	608	(102)	63	188	1,563

3 Charitable activities

	2023 £'000	2022 £'000
Project income	483	406
Membership fees	1,403	1,088
End assessments	2,869	2,046
Course & consultancy sales	1,209	901
ATA – fee income	1,007	1,032
ATA – recharge of employment costs	4,133	4,159
Apprenticeship delivery	1,089	717
Other income	1,050	846
	13,243	11,195

4 Investment income

	2023 £'000	2022 £'000
Bank deposit income	44	2

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

5 Analysis of expenditure

	Research, policy, Occupational standards and engaging with employers £'000	Governance costs £'000	Cogent SSC £'000	National Skills Academy for Nuclear Limited £'000	Cogent Skills Training Limited £'000	Cogent Skills Services Limited £'000	Science Industry Assessment Service Limited £'000	Intercompany Elimination £'000	Total 2023 £'000
Cost directly allocated to activities									
Salaries and other staff costs	1,021	-	562	640	-	4,134	-	-	6,357
Specific projects	368	-	372	412	502	169	710	(67)	2,466
Other costs	39	-	141	-	-	-	-	-	180
	1,428	-	1,075	1,052	502	4,303	710	(67)	9,003
Support costs									
Salaries and other staff costs	3	-	-	315	502	747	823	689	3,079
Marketing and communications	58	-	-	13	9	28	56	-	164
Premises costs	45	-	11	11	30	17	22	-	136
Other costs	134	18	750	224	128	290	1,016	(1,919)	641
	240	18	761	563	669	1,082	1,917	(1,230)	4,020
Total expenditure	1,668	18	1,836	1,615	1,171	5,385	2,627	(1,297)	13,023

The support costs have been allocated on a per capita basis.

Other costs in the table above include a taxation charge of £11,000 (2022: £nil) which is disclosed separately for the purpose of the consolidated income and expenditure account on page 22.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

5 Analysis of expenditure (continued)

The comparative numbers for 2022 are:

	Research, policy, Occupational standards and engaging with employers £'000	Governance costs £'000	Cogent SSC £'000	Cogent (Telford) Limited £'000	National Skills Academy for Nuclear Limited £'000	Cogent Skills Training Limited £'000	Cogent Skills Services Limited £'000	Science Industry Assessment Service Limited £'000	Intercompany Elimination £'000	Total 2022 £'000
Cost directly allocated to activities										
Salaries and other staff costs	708	-	435	-	597	-	4,160	-	-	5,900
Specific projects	174	-	191	-	381	281	87	518	(112)	1,520
Other costs	62	-	139	-	-	-	-	-	-	201
	944	-	765	-	978	281	4,247	518	(112)	7,621
Support costs										
Salaries and other staff costs	44	-	-	-	280	493	676	631	613	2,737
Marketing and communications	9	-	-	-	20	3	11	20	-	63
Premises costs	30	-	-	-	10	24	19	22	-	105
Other costs	144	14	-	-	166	101	338	674	(931)	506
	227	14	-	-	476	621	1,044	1,347	(318)	3,411
Total expenditure	1,171	14	765	-	1,454	902	5,291	1,865	(430)	11,032

The support costs have been allocated on a per capita basis.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

6 Net incoming resources

	2023 £'000	2022 £'000
Net incoming resources is stated after charging:		
Amortisation of intangible fixed assets – owned	11	7
Depreciation of tangible fixed assets – owned	41	39
Auditors' remuneration: audit services	48	42
: other services	-	-
Operating lease rentals – other	64	71

7 Trustees' emoluments

Two trustees (2022: two) received aggregate emoluments of £269,473 (2022: £255,427) including pension contributions of £13,304 (2022: £12,283) during the year for their services as employees, in accordance with the articles of the charity. No trustees (2022: nil) have received reimbursement (2022: £nil) for travel and subsistence expenses. Professional indemnity insurance, which cost the charity £3,269 (2022: £3,174) is in place with a limit of £2 million.

8 Employee information

The monthly average number of persons employed by the group (including directors) during the year is analysed below:

	Group		Company	
	2023 Number	2022 Number	2023 Number	2022 Number
Administration	88	78	23	19

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

8 Employee information (continued)

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Employee costs in relation to the above employees				
Wages and salaries	3,995	3,447	1,191	975
Social security costs	391	362	114	100
Other pension costs	296	260	61	46
	4,682	4,069	1,366	1,121

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000 was:

Salaries and benefits	2023 Number	2022 Number
£60,000 - £70,000	6	6
£70,001 - £80,000	3	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
£100,001 - £110,000	2	2
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,000 +	1	1

The number of higher paid employees accruing retirement benefits was 13 (2022: 13).

Remuneration of key management personnel

The total remuneration, including employer's national insurance and pension contributions, of key management personnel of the group for the year was £867,927 (2022: £771,504). Key management personnel comprise of the executive directors and the senior management team.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

9 Intangible assets

Group	Computer software £'000	Total £'000
Cost		
At 1 January 2023	491	491
Additions	25	25
Disposals	-	-
At 31 December 2023	516	516
Accumulated depreciation		
At 1 January 2023	469	469
Charge for year	11	11
Disposals	-	-
At 31 December 2023	480	480
Net book value		
At 31 December 2023	36	36
At 31 December 2022	22	22

Company	Computer software £'000	Total £'000
Cost		
At 1 January 2023	27	27
Additions	5	5
Disposals	-	-
At 31 December 2023	32	32
Accumulated depreciation		
At 1 January 2023	5	5
Charge for year	7	7
Disposals	-	-
At 31 December 2023	12	12
Net book value		
At 31 December 2023	20	20
At 31 December 2022	22	22

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

10 Tangible assets

Group	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost			
At 1 January 2023	130	256	386
Additions	-	25	25
Disposals	(3)	(29)	(32)
At 31 December 2023	127	252	379
Accumulated depreciation			
At 1 January 2023	73	211	284
Charge for year	16	25	41
Disposals	(3)	(29)	(32)
At 31 December 2023	86	207	293
Net book value			
At 31 December 2023	41	45	86
At 31 December 2022	57	45	102

Company	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost			
At 1 January 2023	47	28	75
Additions	-	9	9
Disposals	-	-	-
At 31 December 2023	47	37	84
Accumulated depreciation			
At 1 January 2023	8	12	20
Charge for year	9	9	18
Disposals	-	-	-
At 31 December 2023	17	21	38
Net book value			
At 31 December 2023	30	16	46
At 31 December 2022	39	16	55

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

11 Investments

Interests in subsidiary undertakings

Details of subsidiary undertakings held by Cogent Skills Limited at £nil carrying value apart from SIAS, of which the company has an investment in the share capital of £140,000, are as follows:

Name of company, company registration number and address of incorporation and operation	Description of shares held	Proportion of nominal value of issued shares	Principal activity
Cogent SSC Limited (SC129351) Blue Square House, 272 Bath Street, Glasgow Scotland, G2 4JR	Ordinary	100%*	Education and training
National Skills Academy for Nuclear Limited (06423637) The Base, Dallam Lane, Warrington, England, WA2 7NG	Ordinary	100%*	Education and training
Cogent Skills Training Limited (06430341) First Floor, 720 Mandarin Court, Lakeside Drive, Centre Park, Warrington, Cheshire, England, WA1 1GG	Ordinary	100%*	Education and training
Cogent Skills Services Limited (07806185) First Floor, 720 Mandarin Court, Lakeside Drive, Centre Park, Warrington, Cheshire, England, WA1 1GG	Ordinary	100%*	Promotion of Technical Apprenticeships
Science Industry Assessment Service Limited (09396974) First Floor, 720 Mandarin Court, Lakeside Drive, Centre Park, Warrington, Cheshire, England, WA1 1GG	Ordinary	100%	Administration services

* These subsidiary undertakings are limited by guarantee and the company is the sole subscriber.

12 Debtors

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	2,859	1,846	402	168
Amounts owed by group undertakings	-	-	99	243
Other debtors	17	9	17	9
Prepayments and accrued income	578	372	328	142
	3,454	2,227	846	562

Amounts owed by group undertakings are interest free and payable on demand.

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

13 Creditors: amounts falling due within one year

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	468	347	76	120
Taxation and social security	748	522	93	26
Bank Loan	-	48	-	-
Other creditors	187	16	-	-
Accruals	877	724	202	165
Deferred income	1,954	1,292	703	302
	4,234	2,949	1,074	613

Deferred income comprises contract income received in advance of contract outputs delivered.

	Group	Company
	£'000	£'000
Balance as at 1 January 2023	1,292	302
Amount released from previous years	(1,292)	(302)
Incoming resources deferred in year	1,954	703
Balance as at 31 December 2023	1,954	703

The group balance above includes £1,954,000 (2022: £1,292,000) of amounts falling due within one year and £nil (2022: £nil) of amounts falling due after more than one year.

14 Creditors: amounts falling due after more than one year

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Dilapidations	12	-	9	-
Bank Loan	-	132	-	-
	12	132	9	-

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

15 Members' liability

Members' liability is limited by guarantee not exceeding £10 per member (7 members) (2022: 7 members).

16 Commitments

At 31 December 2023 the group had total commitments under non-cancellable operating leases expiring as follows:

	2023 Land and buildings £'000	2022 Land and buildings £'000	2023 Other £'000	2022 Other £'000
Within one year	64	61	-	-
Within two to five years	145	179	-	-
	209	240	-	-

Company	2023 Land and buildings £'000	2022 Land and buildings £'000	2023 Other £'000	2022 Other £'000
Within one year	37	37	-	-
Within two to five years	89	126	-	-
	126	163	-	-

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

17 Pensions

Cogent SSC Limited participates in the ITB Pension Scheme, a multi-employer pension plan defined benefit scheme. The employers share the actuarial risks associated with all employees and former employees. The company is not legally responsible for the plan and does not have sufficient information to use defined benefit accounting.

From 1 April 2017 the remaining employees who participated in the defined benefit scheme were transferred into the defined contribution scheme for future service benefits. From 1 August 2022 Cogent SSC Limited employees participate in a separate defined contribution scheme outside of the ITB scheme.

During 2022 Cogent SSC Limited entered into a flexible apportionment arrangement with the ITB Pension Scheme where the parent company Cogent Skills Limited took over responsibility for all the liabilities in relation to the defined benefit scheme.

The latest triennial review of the scheme was at 31 March 2023. The fund has insured the majority of pensioner liabilities through a number of buy-in policies. The buy-ins have changed the fund's risk profile and funding position significantly since the 2016 valuation.

At the review date, the actuarial value of the assets of the scheme was £543.9 million and the value of liabilities was £519.1 million, leaving a surplus of £24.8 million representing a funding level of 105% (2019 104%). The next formal actuarial valuation is due at 31 March 2025. The solvency position is equivalent to a funding level of 95% (2019:87%).

The total pension cost for the group was £296,000 (2022: £260,000). This includes £16,000 (2022: £15,000) outstanding contribution at the balance sheet date. The contributions rate payable by the group was up to 8.35%.

CS, CSS, CST, SIAS and NSAN operate defined contribution pension schemes.

18 Unrestricted income funds

	Group	Company
	£'000	£'000
At 1 January 2023	1,732	309
Surplus for the financial year	264	873
At 31 December 2023	1,996	1,182

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

19 Reconciliation of movements in members' funds

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Surplus for the year	264	165	873	110
Opening members' funds	1,732	1,567	309	199
Closing members' funds	1,996	1,732	1,182	309

20 Related party transactions

During the year Cogent Skills Limited entered into no transactions with its subsidiaries (2022: none).

21 Net cash inflow from operating activities

Group	Note	2023 £'000	2022 £'000
Net income before tax		275	165
Investment income	5	(44)	(2)
Depreciation and amortisation		52	46
Loss on disposal of fixed assets		-	2
Increase in debtors		(1,227)	(155)
Increase in creditors		1,334	(362)
Taxation		-	53
Net cash inflow/ (outflow) from operating activities		390	(253)

22 Analysis of net cash

Group	At 1 January 2023 £'000	Cash flow £'000	At 31 December 2023 £'000
Cash at bank and in hand	1,962	(46)	1,916
	1,962	(46)	1,916

Cogent Skills Limited

Notes to the financial statements for the year ended 31 December 2023 (continued)

23 Analysis of net funds/(debt)

	At 1 January 2023 £'000	Cash flow £'000	At 31 December 2023 £'000
Group			
Cash at bank and in hand	1,962	(46)	1,916
Money market deposits	500	250	750
	2,462	204	2,666
Borrowings			
Loans falling due within one year	(48)	48	-
Loans falling due after more than one year	(132)	132	-
Total	2,282	384	2,666

24 Controlling party

The charity has 7 (2022: 7) members representing the science based industries covering industrial sciences (including petroleum refining and distribution, chemical manufacturing, and polymers), life sciences (including pharmaceuticals and medical technologies) and nuclear. The trustees do not consider there to be a controlling party on the basis that each of the members has equal voting rights. Cogent Skills Limited is the only company to consolidate these results.