

**Cogent Skills Training Limited**  
**Annual Report and Financial Statements**  
**for the year ended 31 December 2019**

Registered Number 06430341



**Cogent Skills Training Limited**  
**Annual Report and Financial Statements**  
**for the year ended 31 December 2019**

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# **Cogent Skills Training Limited**

## **Directors and advisers for the year ended 31 December 2019**

### **Directors**

K Gorge

J Fosh

appointed 4 May 2020

N Durrington

appointed 31 January 2020

Other directors who served during the financial year:

J Woolf

resigned 1 May 2020

J Murdock

resigned 30 July 2019

### **Registered Office**

Unit 5

Mandarin Court

Centre Park

Warrington

WA1 1GG

### **Chartered Accountants & Statutory Auditors**

RSM UK Audit LLP

3 Hardman Street

Manchester

M3 3HF

### **Solicitors**

GLP Solicitors

85 Chapel Street

Manchester

M3 5DF

### **Bankers**

Bank of Scotland

31 High Street

Montrose

DD10 8LT

# Cogent Skills Training Limited

## Strategic report for the year ended 31 December 2019

The directors present their Strategic report of the company for the year ended 31 December 2019.

### Principal activities

The principal activities of the company are to promote and provide 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.

### Review of business and future developments

The courses business had a more challenging year during 2019 following a strong prior year. We experienced a higher than usual number of companies moving their 2019 courses into early 2020. We therefore focused on building the pipeline, with the release of the new Major Hazard Leadership inspection guidance from the Health and Safety Executive (HSE) presenting us with an excellent opportunity to promote our offers. We ran a number of networking events, majoring on this new initiative, with guest speakers from the HSE.

During 2019, the team worked hard to generate course sales and on an outreach strategy to promote our offers. During the year we also moved towards the utilisation of expert associates to deliver where possible.

Our consultancy business performed in line with budget with the overall take up of Competence management consultancy meeting expectations. The team continued to work hard on customer satisfaction ensuring that all services are of the highest quality. Feedback on the quality of our courses continues to be at the highest levels.

Our apprenticeship delivery business had a major setback in March 2019 with an insufficient progress grading from an Ofsted monitoring visit. A result of this was that CST could no longer take on new starts until achieving a standard of reasonable progress through a follow up Ofsted visit. This had a major impact on this business and significant management time was spent during 2019 ensuring we would meet the required standard. In February 2020 following a full inspection where CST achieved a grade 3 the restrictions on new starts was lifted. The focus on 2020 is to rebuild the pipeline of new business whilst working towards achieving a higher performance grade.

During quarter four of 2019 we had a full financial audit by the ESFA where the final report indicated that we had a 0.23% error rate against a tolerance of 5% along with some very positive comments.

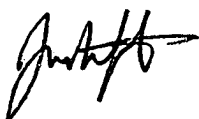
### Results and dividends

The profit and loss account for the year is set out on page 7. The company is limited by guarantee and no dividends are paid (2018: £nil). Net liabilities at 31 December 2019 were £186,000 (2018: assets of £22,000) and the reserves were negative £186,000 (2018: reserves of £22,000).

### Principal risks and uncertainties

The principal risk is around compliance, with the external requirements to move to a positive Ofsted grade and maintain a financial sustainability score with the ESFA. Firm plans are now in place to achieve the required outcomes using external support and systems, the formation of a Governance Committee and regular meetings with our ESFA account manager. Government reviews of Apprenticeship Standards and Qualifications could also impact the way and what we deliver, our plans include higher intensity of virtual platforms and summer schools to improve knowledge transfer.

On behalf of the board



J Fosh  
Director  
15 July 2020

# Cogent Skills Training Limited

## Directors' report for the year ended 31 December 2019

The Directors present their report and the audited financial statements for the year ended 31 December 2019. The directors report has been prepared taking advantage of the small companies' exemption in Section 415a of the Companies Act 2006.

### Future developments

A commentary on the company's progress during the year and its future developments are set out in the strategic report on page 2.

### COVID-19 update

Covid-19 had an impact on trading in the first half of 2020 mainly due to on site access restrictions with many of our customers. The impact of Covid-19 for the second half of the year is uncertain and dependant on when the government restrictions are lifted and customer site access is more widely available for delivery and assessment. We have taken actions to mitigate the impact of Covid-19 and have taken advantage of the Government's job retention scheme.

### Financial risk management

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

*Price risk:* The company recognises products and services should be priced at a level that encourages take-up and all products and services are incorporated into the company's business plans and budgets.

*Credit risk:* The company has procedures in place to reduce exposure to the potential of non-payment of trade receivables.

*Liquidity risk:* The company has no long term borrowing.

### Results and dividends

The profit and loss account for the year is set out on page 7. The company is limited by guarantee and no dividends have been paid (2018: £nil). The directors do not recommend a dividend for the year ended 31 December 2019.

### Directors

The directors who held office during the year and up to the date of signing the financial statements are detailed on page 1.

### Political and charitable donations

During the year, the company made no political and charitable donations (2018: £nil).

### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# **Cogent Skills Training Limited**

for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Director's report for the year ended 31 December 2019 (continued)**

### **Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware.

Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

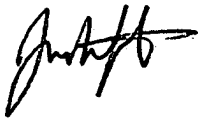
### **Independent Auditors**

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.

### **Qualifying third party and pension scheme indemnity provisions**

At the time this report is approved, no qualifying third party indemnity provisions or qualifying pension scheme indemnity provisions are in place for the benefit of the director. At no time during the year were any such provisions in force for the benefit of the director.

### **On behalf of the Board**



J Fosh  
Director  
15 July 2020

Registered Number: 06430341

# **Cogent Skills Training Limited**

## **Independent auditors' report to the members of Cogent Skills Training Limited**

### **Opinion**

We have audited the financial statements of Cogent Skills Training Limited (the 'company') for the year ended 31 December 2019 which comprise the Statement of Income and Retained Earnings, the Balance Sheet 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 company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

# **Cogent Skills Training Limited**

## **Independent auditors' report to the members of Cogent Skills Training Limited (continued)**

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement [set out on page 3], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

### **Use of our report**

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

*Dale Thorpe*

Dale Thorpe (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF

Date: 31 July 2020

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



## Cogent Skills Training Limited

### Statement of income and retained earnings for the year ended 31 December 2019

	Note	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Turnover	1	1,770	1,588
Administrative expenses		(1,979)	(1,576)
<b>Operating (Loss)\ Profit and (Loss)\ Profit on ordinary activities before taxation</b>	4	<b>(209)</b>	12
Tax on (Loss)\ Profit on ordinary activities	5	1	(1)
<b>(Loss)\ Profit for the financial year</b>	11	<b>(208)</b>	11
<b>Retained profits at 1 January</b>		<b>22</b>	11
<b>Retained profits at 31 December</b>		<b>(186)</b>	22


There are no recognised gains and losses for the financial years other than those included above. Accordingly, no separate statement of comprehensive income is presented.

# Cogent Skills Training Limited

## Balance sheet as at 31 December 2019

	Note	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
<b>Fixed assets</b>			
Intangible assets	6	18	5
Tangible assets	7	4	11
<b>Net fixed assets</b>		<b>22</b>	<b>16</b>
<b>Current assets</b>			
Debtors	8	613	541
Cash at bank and in hand		10	16
		<b>623</b>	<b>557</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(240)</b>	<b>(547)</b>
<b>Net current assets</b>		<b>383</b>	<b>10</b>
<b>Total assets less current liabilities</b>		<b>405</b>	<b>26</b>
Creditors: amounts falling due after more than one year	10	(591)	(4)
<b>Net assets</b>		<b>(186)</b>	<b>22</b>
<b>Capital and reserves</b>			
Profit and loss account	11	(186)	22
<b>Total shareholders' funds</b>	16	<b>(186)</b>	<b>22</b>

The financial statements on pages 7 to 17 were approved by the board of directors on 15 July 2020 and were signed on its behalf by:



J Fosh  
Director

**Cogent Skills Training Limited**  
**Company Number: 06430341**

# **Cogent Skills Training Limited**

## **Statement of accounting policies**

### **General Information**

The company is a private company limited by guarantee and is incorporated in England and Wales. The address of its registered office is Unit 5 Mandarin Court, Centre Park, Warrington, Cheshire, United Kingdom, WA1 1GG.

### **Statement of compliance**

The financial statements of Cogent Skills Training Limited have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102)" and the Companies Act 2006.

### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS102 in these financial statements.

### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

### **Going concern**

The company had net liabilities of £186,000 at 31 December 2019, including amounts owed to group undertakings of £590,000, and is reliant on the continuing financial support of its parent and fellow subsidiary companies. A group restructure is planned to strengthen the company's balance sheet and reduce the intra-group indebtedness. In the meantime, the group has confirmed its ongoing financial support for at least the next 12 months.

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources and access to group funding to continue in operational existence for the foreseeable future. The directors are aware of the current and future forecast financial position of the parent company and the group and accordingly are satisfied that the parent company has access to sufficient funds to able to provide this support. The company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

### **Exemptions for qualifying entities under FRS102**

FRS102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions on the basis that the information is included in the consolidated financial statements of the Company's ultimate parent undertaking, Cogent Skills Limited, a company registered in England and Wales:

- from preparing a statement of cash flows;
- from the financial instrument disclosures, required under FRS102 paragraphs 11.39 to 11.48A and the paragraphs 12.26 to 12.29; and
- from disclosing the Company key management personnel compensation, as required by FRS102 paragraph 33.7.

The consolidated financial statements of Cogent Skills Limited can be obtained from the address given in note 15.

### **Capital grants**

Capital grants fund the purchase of capital equipment which is installed in providers' premises for their use in training learners within the process industries. Grants received are deferred and released in line with the depreciation policy for the related assets.

### **Leases**

The costs of operating leases are charged to the profit & loss account on a straight-line basis over the lease term.

# Cogent Skills Training Limited

## Statement of accounting policies (continued)

### **Tangible fixed assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bring the asset to its working condition for its intended use.

Depreciation is calculated using the straight-line method to allocate cost to the assets' residual values over their estimated useful lives, as follows:

Plant and machinery	4 to 10 years
Grant funded assets	4 to 10 years
Fixtures and fittings	6 to 10 years
Computer equipment	3 to 4 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

### **Employee benefits**

The company provides a range of benefits to employees, including paid holiday arrangements 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.

#### *Defined contribution plan*

The Company operates a salary sacrifice defined contribution pension scheme for the benefit of the employees. The contributions to the plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the scheme are held separately from those of the company in an independently administered fund.

### **Turnover**

Turnover represents revenue grants and the invoiced value of goods and services. Revenue grants are recognised to the extent that they match related expenditure. Invoiced value of goods and services, excludes value added tax and is recognised on the delivery of the goods and service, generally being the delivery of the service. All turnover derives in the UK.

### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

#### *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

#### *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

# **Cogent Skills Training Limited**

## **Statement of accounting policies (continued)**

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities of other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

### **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.

### **Provisions for liabilities**

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made to the amount of the obligation.

# Cogent Skills Training Limited

## Notes to the financial statements for the year ended 31 December 2019

### 1 Turnover

The company's activities consist solely of the principal activities referred to on page 2 which arise in the United Kingdom.

### 2 Employee costs

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Wages and salaries	727	523
Social security costs	68	49
Other pensions costs (note 14)	44	30
<b>Staff costs</b>	<b>839</b>	<b>602</b>

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity	Year ended 31 December 2019 Number	Year ended 31 December 2018 Number
Administration	21	14

### 3 Directors' emoluments

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Aggregate emoluments	30	63
Company pension contributions to money purchase scheme	2	3

Retirement benefits are accruing to no director (2018: no) under a defined contribution scheme.

# Cogent Skills Training Limited

## Notes to the financial statements for the year ended 31 December 2019 (continued)

### 4 Operating (Loss)\ Profit

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Operating (Loss)\ Profit is stated after charging:		
Amortisation of intangible fixed assets – owned	4	-
Depreciation of tangible fixed assets – owned	7	6
Operating lease rentals – other than plant and machinery	29	7
Auditors' remuneration – audit	6	6

Fees paid to RSM UK Audit LLP for non-audit services in the UK were £nil (2018: £nil).

### 5 Tax on (Loss)\ Profit on ordinary activities

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
Current tax - UK corporation tax (credit)\ charge on profit for the year	(1)	1
Tax on (Loss)\ Profit on ordinary activities	(1)	1

The tax assessed for the year is equal to the standard effective rate of corporation tax in the UK for the year ended 31 December 2019 of 19% (2018: 19%).

	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
(Loss)\ Profit on ordinary activities before taxation	(209)	12
(Loss)\ Profit on ordinary activities multiplied by the standard rate in the UK corporation tax at 19% (2018: 19%)	(40)	(2)
Effects of:		
- Losses not utilised\ (utilised)	39	(1)
Current tax for the year	(1)	1

#### Factors affecting future tax charges

The rate of UK corporation tax will remain at 19% from April 2020.

# Cogent Skills Training Limited

## Notes to the financial statements for the year ended 31 December 2019 (continued)

### 6 Intangible assets

	Computer software £'000	Total £'000
<b>Cost</b>		
At 1 January 2019	5	5
Additions	17	17
<b>At 31 December 2019</b>	<b>22</b>	<b>22</b>
<b>Accumulated depreciation</b>		
At 1 January 2019	-	-
Charge for year	4	4
<b>At 31 December 2019</b>	<b>4</b>	<b>4</b>
<b>Net book value</b>		
<b>At 31 December 2019</b>	<b>18</b>	<b>18</b>
At 31 December 2018	5	5

### 7 Tangible assets

	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
<b>Cost</b>			
At 1 January 2019	1	15	16
Additions	-	-	-
<b>At 31 December 2019</b>	<b>1</b>	<b>15</b>	<b>16</b>
<b>Accumulated depreciation</b>			
At 1 January 2019	1	4	5
Charge for the year	-	7	7
<b>At 31 December 2019</b>	<b>1</b>	<b>11</b>	<b>12</b>
<b>Net book value</b>			
<b>At 31 December 2019</b>	<b>-</b>	<b>4</b>	<b>4</b>
At 31 December 2018	-	11	11



## **Cogent Skills Training Limited**

### **Notes to the financial statements for the year ended 31 December 2019 (continued)**

#### **8 Debtors**

	<b>2019 £'000</b>	<b>2018 £'000</b>
Trade debtors	<b>227</b>	169
Amounts owed by group undertakings	<b>97</b>	38
Prepayments and accrued income	<b>289</b>	334
	<b>613</b>	541

#### **9 Creditors: Amounts falling due within one year**

	<b>2019 £'000</b>	<b>2018 £'000</b>
Trade Creditors	<b>26</b>	81
Amounts owed to group undertakings	-	354
Other creditors	<b>4</b>	3
Taxation and social security	<b>33</b>	20
Accruals and deferred income	<b>177</b>	89
	<b>240</b>	547

#### **10 Creditors: amounts falling due after more than one year**

	<b>2019 £'000</b>	<b>2018 £'000</b>
Amounts owed to group undertakings	<b>590</b>	-
Rent	<b>1</b>	4
	<b>591</b>	4

# Cogent Skills Training Limited

## Notes to the financial statements for the year ended 31 December 2019 (continued)

### 11 Reserves

	Profit and loss account £'000
At 1 January 2019	22
(Loss)\ Profit for the financial year	(208)
At 31 December 2019	(186)

### 12 Capital and other commitments

	2019 £'000	2018 £'000
Contracts placed for future capital expenditure not provided in the financial statements	-	-

### 13 Financial commitments

At 31 December the company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and buildings		Other	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Within one year	-	-	-	-
Within two to five years	26	26	3	3
	26	26	3	3

### 14 Pension commitments

The company operates a salary sacrifice contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £44,000 (2018: £30,000). Contributions totalling £3,000 (2018: £3,000) were payable to the fund at the year end and are included in creditors.

# **Cogent Skills Training Limited**

## **Notes to the financial statements for the year ended 31 December 2019 (continued)**

### **15 Related party disclosures**

The company has taken advantage of the exemption contained within FRS102 and not disclosed transactions or balances with companies that are fellow wholly owned subsidiaries of Cogent Skills Limited. Copies of the Cogent Skills Limited group consolidated financial statements can be obtained from the Company Secretary, Unit 5, Mandarin Court, Centre Park, Warrington, Cheshire, WA1 1GG.

### **16 Reconciliation of movements in shareholders' funds**

	<b>2019 £'000</b>	<b>2018 £'000</b>
Opening shareholders' funds	<b>22</b>	<b>11</b>
(Loss)\ Profit for the financial year	<b>(208)</b>	<b>11</b>
Closing shareholders' funds	<b>(186)</b>	<b>22</b>

### **17 Status of the company**

The company is limited by guarantee and has no share capital. The liability of the directors as members is limited by guarantee to not more than £1.

### **18 Ultimate parent undertaking and ultimate controlling party**

The ultimate parent undertaking and controlling party is Cogent Skills Limited, a company incorporated in England and Wales.

Cogent Skills Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2019. The consolidated financial statements of Cogent Skills Limited are available from Unit 5, Mandarin Court, Centre Park, Warrington, WA1 1GG.

### **19 Event after the balance sheet date**

Following preparation of these accounts to 31 December 2019, the World Health Organisation declared the global Covid-19 outbreak to be a pandemic on 11 March 2020 and the United Kingdom implemented lockdown measures on 23 March 2020.

Covid-19 had an impact on trading in the first half of 2020 mainly due to on site access restrictions with many of our customers. The impact of Covid-19 for the second half of the year is uncertain and dependant on when the government restrictions are lifted and customer site access is more widely available for delivery and assessment. We have taken actions to mitigate the impact of Covid-19 and have taken advantage of the Government's job retention scheme.