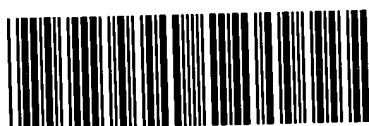


Company registration number 02647768 (England and Wales)

COBALT INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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COBALT INSTITUTE

COMPANY INFORMATION

Directors	Mr F G Jones Mr J D Lowe Dr W R Y Ghyoot
Secretary	Mrs R A Harvey
Company number	02647768
Registered office	18 Jeffries Passage Guildford Surrey GU1 4AP
Auditor	Moore (South) LLP Priory House Pilgrims Court Sydenham Road Guildford Surrey GU1 3RX

COBALT INSTITUTE

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COBALT INSTITUTE

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are pleased to present the Cobalt Institute's annual report and financial statements for the year ended 31 December 2022.

Principal activities

Cobalt Institute is a not for profit organisation. The principal activity of the company during the year was the promotion of the uses of cobalt and its applications for various products, as well as preparing the registration dossiers for cobalt and cobalt compounds based on the needs to comply with REACH legislation.

Directors

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

Mr F G Jones
Mr J D Lowe
Dr W R Y Ghyoot

Auditor

The auditors, Moore (South) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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.

Business Review

It is important to highlight significant developments that influenced our financial outturn during 2022.

Firstly, the Cobalt Institute encountered an unforeseen challenge in the form of a budget overspend. While this impacted our financial performance for the year, directors and management have since been proactive in addressing this issue to ensure contract compliance, budgetary control, financial prudence and stability moving forward.

Additionally, during 2022 we successfully incorporated the operations of the Cobalt Institute's wholly owned subsidiary, the Cobalt Reach Consortium into the Cobalt Institute. This integration is reflected in the accounts. The overall result is a deficit of £519k.

As we move ahead, we remain committed to upholding the highest standards of transparency and financial responsibility.

We look forward to continued productive discussions with all members.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

COBALT INSTITUTE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

On behalf of the board

Mr F G Jones
Director

A handwritten signature in black ink, appearing to read 'F G Jones', written over the printed name.

15 August 2023

COBALT INSTITUTE

DIRECTORS' RESPONSIBILITIES STATEMENT **FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. 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;
- state whether applicable 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 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 for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COBALT INSTITUTE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COBALT INSTITUTE

Opinion

We have audited the financial statements of Cobalt Institute (the 'company') for the year ended 31 December 2022 which comprise the income statement, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2022 and of its loss 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 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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

COBALT INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF COBALT INSTITUTE

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 Directors' 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

COBALT INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF COBALT INSTITUTE

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- The engagement partner selected a team for the audit, who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations
- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant from the perspective of the financial statements are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements through discussion with management and those charged with responsibility for ensuring compliance is adhered to. We also reviewed available correspondence with regulators to identify any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the risk of material misstatement in the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considering the internal controls in place to mitigate the identified risks.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including due to fraud, management override was identified as a significant fraud risk from our assessment.
- A significant risk was identified in relation to the recognition of liabilities and disclosure of commitments regarding contracted and authorised expenditure relating to projects.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- reviewed transactions with related parties, in particular the management charges and transactions with group entities; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation;

COBALT INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF COBALT INSTITUTE

In response to the risk of irregularities with regards to projects we:

- compared project list to prior year and confirmed status change to supporting documentation;
- performed cut off testing to include review of invoices and contracts;and
- reviewed projects signed in the year through to commitments disclosed and liabilities recorded;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.


Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of 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.


Christopher Goodwin (Senior Statutory Auditor)
For and on behalf of Moore (South) LLP

Chartered Accountants
Statutory Auditor

17 August 2023
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Priory House
Pilgrims Court
Sydenham Road
Guildford
Surrey
GU1 3RX

COBALT INSTITUTE

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Revenue	3	4,354,270	3,681,574
Cost of sales		(2,568,961)	(1,997,185)
Gross surplus		1,785,309	1,684,389
Administrative expenses		(2,395,284)	(1,637,225)
Other operating income		85,034	362,229
Operating (deficit)/surplus	4	(524,941)	409,393
Investment income		6,838	256
(Deficit)/surplus before taxation		(518,103)	409,649
Tax on (loss)/profit	8	(1,299)	(48)
(Deficit)/surplus for the financial year		(519,402)	409,601

COBALT INSTITUTE

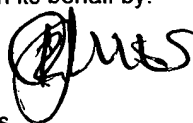
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Non-current assets					
Property, plant and equipment	7		85,065		138,927
Investments	9		1		1
			<u>85,066</u>		<u>138,928</u>
Current assets					
Trade and other receivables	10	2,791,186		857,634	
Cash and cash equivalents		5,702,810		2,689,368	
		<u>8,493,996</u>		<u>3,547,002</u>	
Current liabilities	11	(5,857,304)		(444,770)	
Net current assets			<u>2,636,692</u>		<u>3,102,232</u>
Net assets			<u>2,721,758</u>		<u>3,241,160</u>
Equity					
Called up share capital			-		-
Other reserves			2,051,694		2,280,781
Retained earnings			670,064		960,379
Total equity			<u>2,721,758</u>		<u>3,241,160</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 15 August 2023 and are signed on its behalf by:



Mr F G Jones
Director

Company Registration No. 02647768

COBALT INSTITUTE

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital £	Contingency Fund £	Strategic Plan Fund £	HS&E Fund £	Retained earnings £	Total £
Balance at 1 January 2021	-	250,000	722,118	986,126	873,315	2,831,559
Year ended 31 December 2021:						
Profit and total comprehensive income for the year	-	-	-	-	409,601	409,601
Other movements	-	-	60,228	262,309	(322,537)	-
Balance at 31 December 2021	-	250,000	782,346	1,248,435	960,379	3,241,160
Year ended 31 December 2022:						
Loss and total comprehensive income for the year	-	-	-	-	(519,402)	(519,402)
Other movements	-	-	(435,916)	206,829	229,087	-
Balance at 31 December 2022	-	250,000	346,430	1,455,264	670,064	2,721,758

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Cobalt Institute is a limited company domiciled and incorporated in England and Wales. The registered office is 18 Jeffries Passage, Guildford, Surrey, GU1 4AP.

The company is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Revenue

Revenue represents subscriptions receivable from the members as well as income from the sale of publications, data and annual conference fees charged. All amounts are after any discounts and net of any applicable VAT.

Amounts advanced by members to cover the expenditure relating to future events and projects are recognised as income when the costs relating to those events and projects are defrayed or the criteria by which the advances can be recognised as income have been met.

1.3 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Life of lease
Fixtures, fittings & equipment	25 % straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 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 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income statement.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified 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.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

Current tax

Due to the company's status the tax currently payable is based only on investment income received in the year. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.10 Retirement benefits

The company pays contributions into personal pension schemes for its employees and the pension charge represents the amounts payable by the company to the schemes in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

All differences are taken to income statement.

1.13 Health, safety and environment research projects

Health, Safety and Environment research projects are all contracted for and payment is due on predetermined staged payments as detailed in the contracts. The staged payments are considered to be fair recognition of the research undertaken as payment does not fall due until the contractual obligations have been fulfilled up to that stage by the contractor. Where the contractor has not fulfilled the staged requirements recognised in the contract, the staged payments are not shown as a liability of the company.

Where contracts have been entered into but staged payments have not been reached and the liability does not yet exist, the outstanding amounts are shown under a contract commitment note, refer to note 12.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are not deemed to be any significant estimates.

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Revenue

An analysis of the company's revenue is as follows:

	2022 £	2021 £
Revenue analysed by class of business		
Subscriptions	2,673,588	2,204,861
Chemicals management	624,135	886,014
Conference	97,941	10,471
HS&E data provision	161,589	217,673
Sustainability	200,001	272,555
UK Reach	-	90,000
CoRC Projects	597,016	-
	<u>4,354,270</u>	<u>3,681,574</u>

	2022 £	2021 £
Revenue analysed by geographical market		
UK	127,406	264,962
Overseas	4,226,864	3,416,612
	<u>4,354,270</u>	<u>3,681,574</u>

	2022 £	2021 £
Other significant revenue		
Interest income	6,838	256
Management charges	85,034	362,229
	<u></u>	<u></u>

4 Operating (deficit)/surplus

	2022 £	2021 £
Operating (deficit)/surplus for the year is after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	<u>7,640</u>	<u>7,095</u>

5 Employees

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

	2022 Number	2021 Number
Total	<u>9</u>	<u>10</u>

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Employees (Continued)

The directors of the company represent the members and are not employed, nor do they receive any remuneration.

6 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	118,818	68,834

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the year end no contributions remain unpaid (2021 - £nil).

7 Property, plant and equipment

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2022	219,709	5,782	225,491
Additions	-	2,605	2,605
At 31 December 2022	219,709	8,387	228,096
Depreciation and impairment			
At 1 January 2022	82,391	4,173	86,564
Depreciation charged in the year	54,927	1,540	56,467
At 31 December 2022	137,318	5,713	143,031
Carrying amount			
At 31 December 2022	82,391	2,674	85,065
At 31 December 2021	137,318	1,609	138,927

8 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	1,299	48
Total current tax	1,299	48

The company is only subject to pay corporation tax on interest receivable.

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Fixed asset investments

	2022 £	2021 £
Investments	1	1

The company owns 100% of the share capital of Cobalt REACH Consortium Limited (CoRC), a company incorporated in England and Wales. The company extended its accounting reference date to 31 March 2023 and at that date, the company reported a profit for the period of 176,181 euros and share capital and reserves totalling 15 euros.

During the year, the business and activities of CoRC were transferred to Cobalt Institute. In June 2022, CoRC transferred cash balances of £3,259,471 to CI and at the year end, there was £2,400,599 still to be transferred. A final liabilities adjustment was conducted to analyse the budgets over the last few years and also take account of the EU data sets sold over a number of years. This exercise resulted in £1,283,444 being owed to member and LoA companies and as requested, has subsequently either been refunded or kept on the companies' accounts to be used against future invoices and costs.

Movements in non-current investments

	Shares £
Cost or valuation	
At 1 January 2022 & 31 December 2022	1
Carrying amount	
At 31 December 2022	1
At 31 December 2021	1

10 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year:		
Trade receivables	182,205	13,000
Amounts owed by group undertakings	2,400,599	581,153
Other receivables	208,382	263,481
	2,791,186	857,634

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Current liabilities

	2022 £	2021 £
Bank loans and overdrafts	-	1,917
Trade payables	1,476,582	208,675
Amounts owed to group undertakings	-	176,602
Corporation tax	1,299	49
Other taxation and social security	19,744	18,722
Other payables	4,359,679	38,805
	<u>5,857,304</u>	<u>444,770</u>

12 Contract commitments

	2022 £	2021 £
At 31 December 2022 the company had contract commitments as follows:		
Contracted for but not provided in the financial statements:	270,618	251,827
Authorised but not contracted or provided for	4,651,193	867,742
	<u>4,921,811</u>	<u>1,119,569</u>

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
Within one year	39,395	35,000
Between two and five years	19,698	52,500
	<u>59,093</u>	<u>87,500</u>

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Other information

COBALT INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

14 Related party transactions

(Continued)

For the year ended 31 December 2022 costs and management charges totaling £88,404 (2021 - £362,229) have been recharged to Cobalt REACH Consortium Limited. In addition HS&E data was sold to Cobalt REACH Consortium Limited for £29,181 (2021 - £217,673). In turn shared project costs of £Nil (2021 - £147,265) were recharged from Cobalt REACH Consortium Limited. At the year end Cobalt REACH Consortium Limited owed £2,400,599 to this company (2021 - £579,902 from this company).

During the year costs and management charges of £Nil (2021 - £7,843) were recharged to Reach Metal Carboxylates (Driers and Catalysts) Consortium Limited. The dissolution of that company completed in June 2022 and the company owed Cobalt Institute £Nil (2021 - £1,251) at 31 December 2022.

The organisation is run by the Board of Directors who are also employees of various member companies with those companies paying subscriptions. If any of the Board of Directors wish to attend the annual conference, then they are eligible to do so on the same basis as all other members.

15 Ultimate controlling party

The company does not have an ultimate controlling party by virtue of it being limited by guarantee.