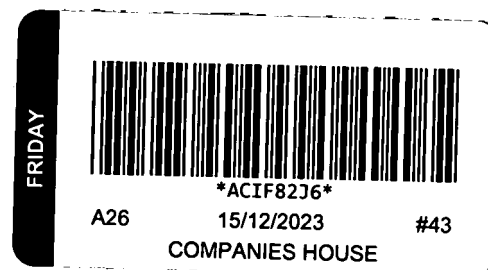


CogBooks Limited
Annual report and financial statements
for the year ended 31 July 2023

Registered Number SC277108



CogBooks Limited

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CogBooks Limited

Directors' report for the year ended 31 July 2023

The directors present their annual report and the audited financial statements of CogBooks Limited ("the Company") for the year ended 31 July 2023.

Results and dividends

The profit for the financial year amounted to £5,144,554 (2022: loss of £2,416,150).

The directors do not recommend the payment of a dividend (2022: £nil).

Business review

On 30 September 2022, the Company sold certain trade and assets to the Chancellor, Masters, and Scholars of the University of Cambridge, acting through its department Cambridge University Press & Assessment for consideration of £5,181,599. Subsequently, the principal activity of the Company is a holding company for its subsidiary undertaking.

Future developments

Following the transfer of trade and assets, it is the directors' intention for the Company to continue in existence as a holding company.

Going concern

The directors have fully considered the risks and uncertainties of the Company's cash flow requirements. The Company has adequate resources to meet its obligations as they fall due for the foreseeable future, being at least 12 months from date of signing. Therefore, the directors have prepared the financial statements on a going concern basis.

Small companies exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Directors

The directors who have held office in the year and up to the signing of the financial statements, unless otherwise stated, are as follows:

V Sambaiah
J H Thompson
C Bennett
N Rebne
R H Smith
A J Watson

Directors' indemnities

As permitted by the Articles of Association, the directors 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 Directors' and Officers' liability insurance in respect of itself and its directors.

CogBooks Limited

Directors' report (*continued*)

for the year ended 31 July 2023

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken 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.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the annual general meeting.

This report was approved by the board of directors and signed on behalf of the board by:



Mr Andrew Watson
Director

Date: 12 December 2023

CogBooks Limited

Independent auditors' report to the members of CogBooks Limited

Report on the audit of the financial statements

Opinion

In our opinion, CogBooks Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance sheet as at 31 July 2023; the Income statement and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

CogBooks Limited

Independent auditors' report (*continued*)

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Director's report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Director's report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Director's report for the year ended 31 July 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Director's report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to overriding controls which would otherwise appear to be operating effectively, primarily through inappropriate or unauthorised journal entries as well as management bias in accounting estimates. Audit procedures performed by the engagement team included:

CogBooks Limited

Independent auditors' report (*continued*)

- reviewing board minutes throughout the period up to the date of the auditors' report;
- inquiries with management about any instances of known or suspected non-compliance with laws and regulations;
- reviewing legal expenses incurred during the year and up to the date of the auditors' report;
- testing, on a risk basis, journal entries that have unusual account combinations including involving unusual postings to revenue accounts;
- testing management's assumptions made in their significant accounting estimates to ensure these are not indicative of management bias; and
- designing audit procedures to incorporate an element of unpredictability by auditing areas that may otherwise not have been audited owing to immateriality.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

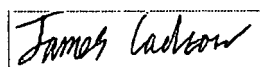
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



James Cadzow (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
13 December 2023

CogBooks Limited

Income statement

for the year ended 31 July 2023

	Note	2023 £	2022 £
Turnover	4	377,095	1,447,651
Cost of sales		(29,049)	(212,253)
Gross profit		348,046	1,235,398
Administrative expenses		(385,091)	(3,651,548)
Other operating income		5,181,599	-
Operating profit / (loss) and profit / (loss) before taxation	5	5,144,554	(2,416,150)
Tax on profit / (loss)	8	-	-
Profit / (loss) for the financial year		5,144,554	(2,416,150)

All above results derive from discontinued operations.

A statement of comprehensive income has not been prepared as all comprehensive income is included within the above Income Statement.

The notes on pages 11 to 20 form part of these financial statements.

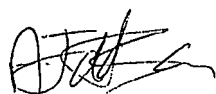
CogBooks Limited

Balance sheet as at 31 July 2023

	Note	2023 £	2022 £
Non current assets			
Intangible assets	9	-	-
Tangible assets	10	-	-
Investments	11	970	970
		970	970
Current assets			
Debtors	12	4,644,070	67,906
Cash at bank and in hand		78,507	195,565
		4,722,577	263,471
Creditors: amounts falling due within one year	13	(791,525)	(1,564,188)
Net current assets / (liabilities)		3,931,052	(1,300,717)
Total assets less current liabilities		3,932,022	(1,299,747)
Net assets / (liabilities)		3,932,022	(1,299,747)
Capital and reserves			
Called up share capital	14	95,310	95,310
Share premium account		6,565,380	6,478,165
Accumulated losses		(2,728,668)	(7,873,222)
Total shareholder's funds / (deficit)		3,932,022	(1,299,747)

The notes on pages 11 to 20 form part of these financial statements.

The financial statements on pages 8 to 20 were approved by the Board of directors and authorised for issue on 12 December 2023 and were signed on its behalf by:



Mr Andrew Watson
Director

Date: 12 December 2023

Registered number: SC277108

CogBooks Limited

Statement of changes in equity for the year ended 31 July 2023

	Called up share capital £	Share premium £	Accumulated losses £	Total equity £
Balance at 1 August 2021	95,310	6,478,165	(5,457,072)	1,116,403
Loss for the financial year	-	-	(2,416,150)	(2,416,150)
Balance as at 31 July 2022	95,310	6,478,165	(7,873,222)	(1,299,747)
Balance at 1 August 2022	95,310	6,478,165	(7,873,222)	(1,299,747)
Profit for the financial year	-	-	5,144,554	5,144,554
Capital adjustment	-	87,215	-	87,215
Balance as at 31 July 2023	95,310	6,565,380	(2,728,668)	3,932,022

The notes on pages 11 to 20 are an integral part of these financial statements.

CogBooks Limited

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

1 General information

CogBooks Limited is a private company, limited by shares, and is registered and incorporated in Scotland, registration number SC277108. The address of its registered office is Building 19 Haymarket Square, Edinburgh, United Kingdom, EH3 8RY.

The principal activity of the Company during the year is providing software for education and training, and to act as a holding company for several subsidiary companies.

2 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

Going concern

The directors have fully considered the risks and uncertainties of the Company's cash flow requirements. Following the transfer of trade and assets, the Company has adequate resources to meet its obligations as they fall due for the foreseeable future, being at least 12 months from date of signing. Therefore, the directors have prepared the financial statements on a going concern basis.

Exemptions for qualifying entities under FRS102

The Company meets the definition of a qualifying entity for the purpose of certain exemptions under FRS 102 and has taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

Exemption from preparing consolidated financial statements

The Company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are exempt from consolidation by section 402 of the Companies Act 2006.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

CogBooks Limited

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

2 Accounting policies (continued)

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Software development expenditure is capitalised where the directors are satisfied as to the technical, commercial and financial viability of individual projects under development.

Amortisation of capital development expenditure has been calculated using the straight-line method on the following basis:

Software development	-	20%
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All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	20%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Debtors

Short term debtors are measured at transaction price, less any impairment.

CogBooks Limited

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

2 Accounting policies (continued)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Related parties

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with its parent or with members of the same group that are wholly owned.

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

CogBooks Limited

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

2 Accounting policies (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income Statement within 'other operating income'.

Operating leases

Rentals income from operating leases is credited to the Income Statement on a straight line basis over the term of the relevant lease.

Current and deferred taxation

Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax

Deferred tax arises from timing difference between taxable profits and total 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 recognized in the financial statements. Deferred tax is recognized on all timing differences at the reporting date and are only recognized when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3 Critical accounting judgements and estimation uncertainty

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.

No critical accounting judgements (including in the application of the Company's accounting policies) for the year ended 31 July 2023 have been identified (2022: none).

The Company makes estimates and assumptions concerning the future, however, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year (2022: none).

CogBooks Limited

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

4 Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Digital sales	377,095	1,447,651
	377,095	1,447,651

An analysis of turnover by geographical location is as follows:

	2023 £	2022 £
United States	377,095	1,442,135
Rest of World	-	5,516
	377,095	1,447,651

5 Operating profit / (loss)

	2023 £	2022 £
Operating profit / (loss) is stated after (crediting) / charging:		
Foreign exchange (gains) / losses	(3,003)	10,807
Depreciation	-	280
Amortisation	-	28,718
Impairment of intangible assets	-	1,225,211
Operating lease charges (note 15)	-	1,434

The audit fee for the Company of £30,500 (2022: £38,000) is included within the audit fee of an intermediate parent undertaking and therefore has been incurred by Cambridge University Press & Assessment.

CogBooks Limited

Notes to the financial statements (continued)

for the year ended 31 July 2023

6 Staff Costs

The average monthly number of staff employed by the Company (including directors) during the year, was as follows:

	2023 No.	2022 No.
Sales, marketing and editorial	1	6
General management	-	2
	1	8

The aggregate payroll costs of these staff were as follows:

	2023 £	2022 £
Wages and salaries	77,818	654,566
Social security costs	9,736	106,165
Other pension costs	995	11,660
	88,549	772,391

7 Remuneration of directors

Two directors (2022: two) are remunerated directly by CogBooks Limited. The remaining directors are remunerated by other group companies without recharge.

	2023 £	2022 £
Aggregate remuneration	45,890	567,758

The highest paid director's emoluments were as follows:

	2023 £	2022 £
Aggregate remuneration	29,412	344,002

CogBooks Limited

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

8 Tax on profit / (loss)

	2023 £	2022 £
<i>Current tax</i>		
UK Corporation tax on profits	-	-
Adjustment in respect of prior periods	-	-
Total current tax	-	-

Reconciliation of tax charge

The tax charge for the year is lower (2022: higher) than the standard rate of corporation tax in the UK of 25% (2022: 19%). The differences are explained below.

	2023 £	2022 £
Total tax reconciliation		
Profit / (loss) before tax	5,144,554	(2,416,150)
Tax charge / (credit) at 21% (2022: 19%)	1,080,356	(459,068)
Effects of:		
Permanent differences	-	43,624
Profits not subject to Corporation Tax	(1,088,136)	-
Original and reversal of timing differences	(1,069)	229,777
Unutilised tax losses carried forward	8,849	185,667
Total tax charge for the year	-	-

Factors that may affect future, current and total tax charges

From 1 April 2023 the UK Corporation Tax rate increased from 19% to 25%. The tax charge above is calculated using 21%, which is the Company's average tax rate for the year.

Profits not subject to Corporation Tax represent the net non-taxable proceeds of £5.18m on disposal of the Company's trade and assets to its parent undertaking, The Chancellor, Masters, and Scholars of the University of Cambridge.

Deferred tax

There are £4.4m (2022: £4.4m) of trading losses carried forward. The tax value of these losses is £1.1m (2022: £1.1m) when calculated at the UK Corporation Tax rate of 25%. A deferred tax asset is not recognised for these losses as they were extinguished when the trade and assets transferred to The Chancellor, Masters, and Scholars of the University of Cambridge.

CogBooks Limited

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

9 Intangible assets

	Software Development £
Cost	
At 1 August 2022 and 31 July 2023	4,796,881
Accumulated Amortisation	
At 1 August 2022	4,796,881
Charge for the year	-
At 31 July 2023	4,796,881
Net book value	
At 31 July 2023	-
At 31 July 2022	-

10 Tangible assets

	Office Equipment £	Computer Equipment £	Total £
Cost			
At 1 August 2022 and 31 July 2023	3,625	18,987	22,612
Accumulated depreciation			
At 1 August 2022	3,625	18,987	22,612
Charge for the year	-	-	-
At 31 July 2023	3,625	18,987	22,612
Net book value			
At 31 July 2023	-	-	-
At 31 July 2022	-	-	-

CogBooks Limited

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

11 Investments

	Total
Cost and net book value	£
At 1 August 2022 and 31 July 2023	970

Fixed asset investments in subsidiary undertakings are presented in the table below.

Subsidiary undertaking	Registered address and country of incorporation	Principal activity	Class and percentage of shares held
Cogbooks India Private Limited	135/05, 2 nd Floor, 15 th Cross, 3 rd Phase, JP Nagar, Bangalore, Karnataka, India	Provision of technical support services to CogBooks Limited	100% - Ordinary

On 28 July, US registered non-trading entities CogBooks Inc. and CogBooks Limited Corporation were dissolved.

12 Debtors

	2023 £	2022 £
Trade debtors	-	42,343
Amounts owed by group undertakings	4,644,070	16,193
Other debtors	-	9,370
At 31 July	4,644,070	67,906

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade debtors are stated after provisions for impairment of £nil (2022: £nil).

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	-	121,820
Amounts owed to group undertakings	791,525	1,182,644
Taxation and social security	-	9,023
Other creditors	-	10,412
Accruals and deferred income	-	240,289
At 31 July	791,525	1,564,188

Amounts due to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. Interest is charged at Bank of England base rate +1.25%.

CogBooks Limited

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

14 Called up share capital

	2023 £	2022 £
Authorised, allotted, called up and fully paid		
Ordinary shares of £1	17,965	17,965
Series A Preferred shares	42,838	42,838
Series B Preferred shares	34,449	34,449
C Ordinary Shares	58	58
	95,310	95,310

15 Operating leases

Total commitments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Lease expiry terms		
Less than 1 year	-	1,434
	-	1,434

16 Related parties

The Company is exempt from disclosing related party transactions as they are with other wholly owned group companies.

17 Ultimate parent company

The company's immediate parent undertaking is Cambridge University Press & Assessment.

The smallest group in which the results of the company are consolidated are those of Cambridge University Press & Assessment, a department of the University of Cambridge, whose principal place of business is, Shaftesbury Road, Cambridge, CB2 8EA.

The ultimate controlling party and largest group in which the results of the Company are consolidated is that of the University of Cambridge, an Exempt Charity in the UK under the Charities Act 2011. The consolidated financial statements of this organisation are published in the Cambridge University Reporter, which is available to the public and may be viewed at: <http://www.cam.ac.uk/annual-report>.