

ANGUS TRAINING GROUP LIMITED
(company limited by guarantee)

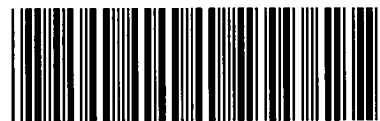
DIRECTORS REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2017

Company Number: SC045902

Charity Number: SC014383

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Angus Training Group Limited
(company limited by guarantee)

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for the year ended 30 June 2017

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Angus Training Group Limited
(company limited by guarantee)

Company Information
for the year ended 30 June 2017

DIRECTORS AND TRUSTEES

Trustees

Mr. D. Baker
Mr. J. Thomson
Mr. A. Walker
Mr. J. Braidwood (resigned 15 June 2017)
Reverend A. Graham
Mr. I. Munro
Mr A. Swankie

Company registered number:

SC045902

Charity registered number:

SC014383

Registered office:

Catherine Street
Arbroath
Angus
DD11 1RL

Company secretary:

Thomtons Law LLP

Senior management team:

Janet McKenzie, Administration Director

Senior Statutory Auditor

Lesley Campbell CA

Auditor

Findlay & Company
Westway Enterprise Centre
Peasiehill Road
Arbroath
DD11 2NJ

Bankers:

Royal Bank of Scotland
Brothock Bridge
Arbroath
DD11 1NP

Solicitors:

Thomtons Law LLP
Brothock House
Arbroath
DD11 1NE

Investment advisors:

Investec Asset Management
2 Gresham Street
London
EC2V 7QP

Quilter Cheviot Investment Management
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

Angus Training Group Limited
(company limited by guarantee)

Trustees Report
for the year ended 30 June 2017

The Trustees present their annual report together with the audited consolidated financial statements for the year ended 30 June 2017. The trustees, who are also directors of Angus Training Group Limited for the purposes of company law and who served during the year and up to the date of signing this report are set out on page 2.

The financial statements comply with the current statutory requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (strategic Report and Directors Report) Regulations 2013 is not required.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The principle activity of the company in the period under review is to provide a quality training service to meet the needs of the engineering and allied industries in Tayside through East Scot Training Services Ltd by supporting them in their business activity to increase member companies by attracting new business out with the oil industry and companies in other localities and being more flexible in our intake date to attract business at any time.

Increase courses offered, developing staff to be more diverse by training staff in other disciplines and to increase the group's profile through various media and careers fairs.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

In order for the charity to achieve its aims, it is essential that staff have flexibility to respond to current markets. It is also important we preserve the current level of qualified staff during difficult times.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

Member companies using the service return on a regular basis for repeat business.

Measures the charity uses to assess success include the preparation of a 4 year income plan used to project future revenues with apprentices in the system.

Significant activities undertaken for the achievement of the charity's aims and objectives include:

- Discussions at board meetings in the form of a Managing Directors report to gauge the current climate.

d. VOLUNTEERS

The Charity does not use any volunteers.

**Angus Training Group Limited
(company limited by guarantee)**

**Trustees Report (continued)
for the year ended 30 June 2017**

Achievements and Performance

a. REVIEW OF ACTIVITIES

Throughout the year the group has provided premises and machinery to East Scot Training Services Limited, their subsidiary company.

A significant amount of donations have been given from East Scot over the last number of years to secure the future of the company in times of hardship.

Record numbers of apprentices in 2012, 2013 & 2014 resulting in changes to the workshop to cope with the increasing demand in apprenticeships but most importantly not devaluing the service provided.

The current economic climate has resulted in a significant decline in the Oil & Gas sector and over a 2 year period has caused a vast decrease in the number of apprentices recruited for 2016/17.

b. INVESTMENT POLICY AND PERFORMANCE

Due to wider economic circumstances resulting in low interest rates, the trustees opted to invest monies previously held in interest bearing accounts. The trustees appointed financial advisors in order to achieve a higher rate of return.

In 2015, the trustees invested £250,000 which is managed by Investec Asset Management. Investec Asset Management are an international business management company with an extensive portfolio and over 25 years experience.

This year, the trustees have invested a further £420,000 which is managed by Quilter Cheviot. Quilter Cheviot are one of the leading charity managers in the UK with considerable experience. Many of their investment managers are trustees/investment managers to charities and therefore are well versed for the challenges facing charities.

c. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

Prudent investments to ensure funds to maintain workshop premises, to invest in equipment and staff training, carry out SWOT analysis of the company, create a database from which to launch enquiries from, engage with all member companies to seek new opportunities and maintain a higher profile.

Working on completion of new website, maintaining company media sites such as Facebook and LinkedIn and engaging with schools for career fairs and class room presentations.

Produce new presentation material and media banners.

Angus Training Group Limited
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Trustees Report (continued)
for the year ended 30 June 2017

Financial Review

The charity made a surplus on unrestricted funds of £99,747 for the year ended 30 June 2017, giving them unrestricted funds of £1,346,979 to carry forward to next year (2016 - £1,254,432).

A significant amount of donations have been received from East Scot Training Services Limited over the last number of years to secure the future of the company in times of hardship.

East Scot Training Services Limited is meeting its financial obligations in the payment of annual rent to Angus Training Group Limited.

Principle funding sources are Skills Developments Scotland and the employers contribution for Modern Apprenticeships. This however will be significantly less in 2019 onwards due to the current intake of apprentices.

ATG has a contractual obligation to provide training and support for all Engineering Modern Apprentices and adults for a period of up to 4 years from their commencement of training to final certification. As income is earned on a 4 year cycle, current intake numbers will directly affect the future financial position. In order to survive this economic downturn, staff will be required to diversify in other roles. There is also capacity to carry out a number of short courses for member companies to help boost income streams.

Financial investments are taken based on the advice of an independent financial advisor.

It is the policy of Angus Training Group Ltd to review and maintain minimum financial reserves to employ an adequate number of staff in the event of no further income from any source after the commencement of training and what might be considered the last annual intake of Engineering Modern Apprentices.

As a company providing a training service for the engineering industry, Angus Training Group Ltd requires substantial assets in terms of its dedicated training centre with high cost machinery, equipment and staff capable of offering training support for individuals over periods of four years.

a. GOING CONCERN

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. PRINCIPAL FUNDING

The groups principal funding sources are rental and investment income.

**Angus Training Group Limited
(company limited by guarantee)**

**Trustees Report (continued)
for the year ended 30 June 2017**

Structure, governance and management

a. CONSTITUTION

Angus Training Group is a company limited by guarantee having no share capital and is governed by a Memorandum and Articles of Association. The company is registered as a charity in Scotland. The Trustees are shown on page 2.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the Trustees who are elected at the annual general meeting. 1/3 of trustees are required to retire by rotation at the AGM but are eligible for re-election.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The charity invites applications for new trustees from members of the group or other interested parties. Potential trustees are provided with an induction pack which tells them about the company and its objectives and also the rolls and responsibilities of the trustees.

d. PAY POLICY FOR SENIOR STAFF

Salary increases are reviewed at the end of June with senior management and the chairman.

Taking into account staffing levels, current apprentice intake and apprentice numbers within the system who require monitoring on a quarterly basis. Predicted income from SDS funding and Scottish Engineering average annual pay increase for the industry is also taken into consideration.

A pay proposal will be put to ES Board of Directors before final approval is required by the trustees/directors of ATG.

e. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The trustees are responsible for preparing a business plan for the charity. The trustees have the power to approve the purchase, exchange, lease, hire, hire purchase, hold and invest any property, heritable and moveable, real and personal of whatever kind and whenever suited.

f. RELATED PARTY RELATIONSHIPS

Angus Training Group existence is based on its relationship with the member companies as it was primarily set up to service its members for apprenticeship training. Relationships are essential with other parties to ensure the smooth running of training, including further education establishments for delivery of the academic part of the apprenticeship.

**Angus Training Group Limited
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**Trustees Report (continued)
for the year ended 30 June 2017**

Close links are also required with EAL & SEMTA for the delivery of qualifications pertinent to the modern apprenticeship.

Links are also required with Skills Development Scotland as we receive funding for Modern Apprenticeship training.

g. RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Plans for future periods

a. FUTURE DEVELOPMENTS

The charity intends to operate in the same way in future periods as it has done in the current period by way of receiving rental income from its subsidiary.

The charity aims to provide a service to its member companies during difficult times and when markets improve. Records show that the engineering sector has highs and lows over time periods and although deep in recession at present, the market will recover in time.

TRUSTEES RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

**Angus Training Group Limited
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**Trustees Report (continued)
for the year ended 30 June 2017**

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

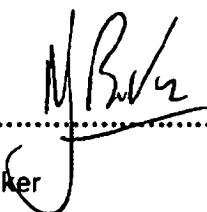
DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Groups auditors are aware of that information.

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

This report was approved by the Trustees on 7 November 2017 and signed on their behalf by:


.....
Mr. D. Baker
Director

Angus Training Group Limited
(company limited by guarantee)

Independent auditor's report to the members and trustees of Angus Training Group Limited
for the year ended 30 June 2017

OPINION

We have audited the financial statements of Angus Training Group Limited for the year ended 30 June 2017 which comprise consolidated and charity statement of financial activities, consolidated and charity balance sheet, consolidated and charity statement of cashflows and related notes.. 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).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the parent company's affairs as at 30 June 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS OF 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**Independent auditor's report to the members and trustees of Angus Training Group Limited (cont...)
for the year ended 30 June 2017**

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees 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 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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

Angus Training Group Limited
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Independent auditor's report to the members and trustees of Angus Training Group Limited (cont...)
for the year ended 30 June 2017

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company's 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: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.

Angus Training Group Limited
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**Independent auditor's report to the members and trustees of Angus Training Group Limited (cont...)
for the year ended 30 June 2017**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the Group and Parent Company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group and Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the Trustees' Report.

Lesley Campbell

Lesley Campbell (Senior Statutory Auditor)
for and on behalf of
Findlay & Company
Chartered Accountants
Westway Enterprise Centre
Peasiehill Road
Arbroath
DD11 2NJ

7 November 2017

Findlay & Company are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Angus Training Group Limited
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Consolidated Statement of financial activities incorporating the Income and Expenditure Account
for the year ended 30 June 2017

	Note	2017 Unrestricted Funds £	2017 Total Funds £	As restated 2016 Total Funds £
INCOME FROM:				
Investment	2	21,002	21,002	14,292
Charitable Activities	2	884,332	884,332	1,182,648
TOTAL INCOME		905,334	905,334	1,196,940
EXPENDITURE ON:				
Raising funds	3	842,624	842,624	1,084,939
Charitable activities	3	29,531	29,531	23,949
TOTAL EXPENDITURE		872,155	872,155	1,108,888
NET INCOME BEFORE OTHER GAINS AND LOSSES		33,179	33,179	88,052
Loss on disposal of investment assets		(8,905)	(8,905)	3,339
NET INCOME BEFORE OTHER RECOGNISED GAINS		24,274	24,274	91,391
Gains/(losses) on revaluations of fixed assets		84,884	84,884	6,186
NET MOVEMENTS IN FUNDS		109,158	109,158	97,577
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,328,600	1,328,600	1,231,023
TOTAL FUNDS CARRIED FORWARD		1,437,758	1,437,758	1,328,600

All income and expenditure is from continuing activities.

Angus Training Group Limited
(company limited by guarantee)

Charity Statement of financial activities incorporating the Income and Expenditure Account
for the year ended 30 June 2017

	Note	2017 Unrestricted Funds £	2017 Total Funds £	<i>As restated</i> 2016 Total Funds £
INCOME FROM:				
Donations		21,415	21,415	82,688
Investments	2	23,627	23,627	16,986
Charitable activities	2	25,000	25,000	25,000
TOTAL INCOME		70,042	70,042	124,674
EXPENDITURE ON:				
Raising funds	3	11,986	11,986	7,538
Charitable activities	3	28,348	28,348	26,914
TOTAL EXPENDITURE		40,334	40,334	34,452
NET INCOME BEFORE OTHER GAINS AND LOSSES		29,708	29,708	90,222
Gains/(losses) on revaluations of fixed assets		84,884	84,884	6,186
Gains on disposal of investment assets		(8,905)	(8,905)	3,339
NET MOVEMENT IN FUNDS		105,687	105,687	99,747
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,346,979	1,346,979	1,247,232
TOTAL FUNDS CARRIED FORWARD		1,452,666	1,452,666	1,346,979

All income and expenditure is from continuing activities.

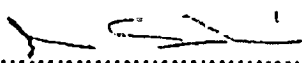
Angus Training Group Limited
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Consolidated Balance Sheet
as at 30 June 2017

	Note	30 June 2017 £	As restated 30 June 2016 £
FIXED ASSETS			
Tangible assets	5	356,844	362,834
Investments	5	873,976	689,092
		<u>1,230,820</u>	<u>1,051,926</u>
CURRENT ASSETS			
Stock		5,343	5,247
Debtors	6	12,785	37,086
Cash at bank and in hand		246,198	322,051
		<u>264,326</u>	<u>364,384</u>
CREDITORS: amounts falling due within one year	7	<u>(57,388)</u>	<u>(87,710)</u>
NET CURRENT ASSETS		<u>206,938</u>	<u>276,674</u>
NET ASSETS		<u>1,437,758</u>	<u>1,328,600</u>
Financed by Reserves:			
Unrestricted reserves	8	1,333,784	1,309,510
Revaluation reserve	8	103,974	19,090
		<u>1,437,758</u>	<u>1,328,600</u>

The financial statements have been prepared in accordance special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board on 7 November 2017 and signed on its behalf by:


.....

Mr. A. Swankie
Director

Registration number: SC045902

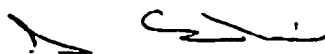
Angus Training Group Limited
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Charity Balance Sheet
as at 30 June 2017

	Note	30 June 2017 £	As restated 30 June 2016 £
FIXED ASSETS			
Tangible assets	5	338,400	345,600
Investments	5	873,976	689,091
		<u>1,212,376</u>	<u>1,034,691</u>
CURRENT ASSETS			
Debtors	6	134,178	192,744
Cash at bank and in hand		111,872	124,543
		<u>246,050</u>	<u>317,287</u>
CREDITORS: amounts falling due within one year	7	<u>(5,760)</u>	<u>(4,999)</u>
NET CURRENT ASSETS		<u>240,290</u>	<u>312,288</u>
NET ASSETS		<u>1,452,666</u>	<u>1,346,979</u>
Financed by Reserves:			
Unrestricted reserves	8	1,348,692	1,327,889
Revaluation reserve	8	103,974	19,090
		<u>1,452,666</u>	<u>1,346,979</u>

The financial statements have been prepared in accordance special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board on 7 November 2017 and signed on its behalf by:


.....

Mr. A. Swankie
Director

Registration number: SC045902

Angus Training Group Limited
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Consolidated statement of cash flows
for the year ended 30 June 2017

	Note	2017 £	<i>As restated</i> 2016 £
Cash flows from operating activities			
Net cash provided by operating activities	11	18,137	113,400
Cash flows from investing activities			
Dividends, interest and rents from investments		23,627	16,986
Purchase of tangible fixed assets		(8,711)	(299)
Proceeds from sale of investments		157,155	76,509
Purchase of investments		(266,061)	(504,661)
Net cash used in investing activities		<u>(93,990)</u>	<u>(411,465)</u>
Change in cash and cash equivalents in the year		(75,853)	(298,065)
Cash and cash equivalents brought forward		322,051	620,116
Cash and cash equivalents carried forward	12	<u><u>246,198</u></u>	<u><u>322,051</u></u>

Angus Training Group Limited
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Charity statement of cash flows
for the year ended 30 June 2017

	Note	2017 £	<i>As restated</i> 2016 £
Cash flows from operating activities			
Net cash provided by operating activities	11	72,608	262,512
Cash flows from investing activities			
Dividends, interest and rents from investments		23,627	16,986
Proceeds from sale of investments		157,155	76,509
Purchase of investments		(266,061)	(504,661)
Net cash used in investing activities		<u>(85,279)</u>	<u>(411,166)</u>
Change in cash and cash equivalents in the year		(12,671)	(148,654)
Cash and cash equivalents brought forward		<u>124,543</u>	<u>273,197</u>
Cash and cash equivalents carried forward	12	<u>111,872</u>	<u>124,543</u>

The note on pages 19 to 32 form part of these financial statements.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts
for the year ended 30 June 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Angus Training Group Limited meets the definition of a public benefit entity under FRS 102.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS 102 the restatement of comparative items was required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Fund accounting

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

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts
for the year ended 30 June 2017

1. Accounting policies (continued)

1.5 Income (continued)

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalized and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts
for the year ended 30 June 2017

1. Accounting policies (continued)

1.6 Expenditure (continued)

Charitable activities and Governance costs are those costs incurred on the charity's operations, including support costs and those costs relating to meeting constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management and governance of the charity.

1.7 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorizing these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Property	- 50 years straight line
Plant & Equipment	- 3 to 5 years straight line
Vehicles	- 4 years straight line
Fixtures, Fittings & Equipment	- 3 years straight line/10 years' straight line

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities Incorporating Income and Expenditure Account.

1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company, this is normally upon notification of the interest paid or payable by the bank.

1.11 Tangible fixed assets and depreciation

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

1. Accounting policies (continued)

1.12 Debtors

Trade and other debtors are recognized at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.15 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 Pensions

The company makes contributions to a pension scheme for its employees. The pension scheme is a defined contribution scheme and the assets of the scheme are managed independently from those of the company. The charge in the statement of financial activities refers to the pension contributions due from the company during the year.

The contributions are recognised as an expense in the Statement of Income and retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

1. Accounting policies (continued)

1.17 Basis of consolidation

Subsidiaries are all entities over which the charity has the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is exercised.

Intercompany transactions, balances and unrealized results on transactions with subsidiaries are eliminated.

2(a) Investment income	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Interest income				
Investment interest	113	367	2,738	3,061
UK investment income	19,464	10,861	19,464	10,861
Non UK investment income	1,425	3,064	1,425	3,064
	<u>21,002</u>	<u>14,292</u>	<u>23,627</u>	<u>16,986</u>
	=====	=====	=====	=====
2(b) Charitable activities - Group			Group 2017 £	As restated Group 2016 £
Training fees			515,322	589,365
Salary admin income			16,835	25,900
Other course income & sundry income			23,005	52,487
Apprentice salary income			328,150	514,896
Other income			1,020	-
			<u>884,332</u>	<u>1,182,648</u>
			=====	=====
2(c) Income from charitable activities - Charity			2017 £	2016 £
Provide property for training services			25,000	25,000
			=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

3. Direct Charitable Expenditure

	Basis of Allocation	Main Project £	Governance £	Group 2017 £	As restated Group 2016 £	Charity 2017 £	As restated Charity 2016 £
Cost of generating funds							
Trading expenses		-	-	842,624	1,084,939	-	-
Cost of charitable activities							
Legal fees	Direct	-	366	366	396	366	396
Audit	Direct	-	6,550	6,550	4,880	6,550	4,880
Bank charges	Direct	1,267	-	1,267	1,340	1,267	1,340
Advertising	Direct	-	-	-	495	-	495
Depreciation	Direct	7,200	-	7,200	7,200	7,200	7,200
Recharged staff & Admin	Direct	2,162	-	2,162	2,100	12,965	12,603
Management Investment costs	Direct	11,986	-	11,986	7,538	11,986	7,538
		<u>22,615</u>	<u>6,916</u>	<u>872,155</u>	<u>1,108,888</u>	<u>40,334</u>	<u>34,452</u>
		=====	=====	=====	=====	=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

4(a) Staff costs

	Group 2017 No.	Group 2016 No.	Charity 2017 No.	Charity 2016 No.
During the year the average number of Employees (headcount) was:	31	38	-	-
	=====	=====	=====	=====
Staff costs were as follows: -		<i>As restated</i>		
	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Salaries	531,663	696,025	-	-
Social security costs	50,295	64,705	-	-
	-----	-----	-----	-----
	581,958	760,730	-	-
	=====	=====	=====	=====

No employee earns > £60,000.

No trustee received any remuneration in respect of their services as trustee in the charity during the year (2016 - nil).

No expenses were received by trustees during the year (2016 - nil).

4(b) Directors remuneration

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Remuneration and other benefits	93,935	100,762	-	-
	=====	=====	=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

5(a) Tangible fixed assets - Group

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Fixtures Fittings & Equipment £	Total £
Cost					
At 1 July 2016	360,000	262,587	14,664	31,811	669,062
Additions	-	-	-	8,711	8,711
Disposals	-	-	-	(53)	(53)
At 30 June 2017	360,000	262,587	14,664	40,469	677,720
Depreciation					
At 1 July 2016	14,400	262,587	14,664	14,577	306,228
Charge for the year	7,200	-	-	7,501	-
Disposals	-	-	-	(53)	(53)
At 30 June 2017	21,600	262,587	14,664	22,025	306,228
Net book value					
At 30 June 2017	338,400	-	-	18,444	356,844
At 30 June 2016	345,600	-	-	17,234	362,834

Angus Training Group Limited
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Notes to the accounts (continued)
for the year ended 30 June 2017

5(b) Tangible fixed assets - Charity

	Freehold Property £	Plant & Machinery £	Total £
Cost			
At 1 July 2016	360,000	262,587	622,587
At 30 June 2017	360,000	262,587	622,587
Depreciation			
At 1 July 2016	14,400	262,587	276,987
Charge for the year	7,200	-	7,200
As at 30 June 2017	21,600	262,587	284,187
Net book value			
At 30 June 2017	338,400	-	338,400
At 30 June 2016	345,600	-	345,600

All assets are used for charitable activities.

Investment Property has been reclassified as the property is let and occupied by another group undertaking.

The property was independently valued in 2010 by National Surveyors who are MRICS qualified, at £360,000. The property was valued on an open market basis and the trustees consider the above valuation to be reflective of the current market value at the year end.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

5(c) Fixed assets investments - Group and Charity

	Listed Securities £	Unlisted Securities £	Subsidiary Undertaking Shares £	Total £
Market Value				
At 1 July 2016	625,766	63,323	2	689,091
Additions	223,464	42,597	-	266,061
Disposals	(147,084)	(4,306)	-	(151,390)
Revaluations	70,124	-	-	70,214
	=====	=====	=====	=====
As at 30 June 2017	772,360	101,614	2	873,976
	=====	=====	=====	=====
Held within the UK	654,561	101,614	2	756,177
Overseas	117,799	-	-	117,799
	=====	=====	=====	=====
	772,360	101,614	2	873,976
	=====	=====	=====	=====
Historical cost	668,386	101,614	-	770,000
	=====	=====	=====	=====

Subsidiary undertakings

The following were subsidiary undertakings of the company:-

Company name	Holding
East Scot Training Services Limited	100%

The aggregate of the share capital and reserves as at 30 June 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate & share capital and reserves £	Profit/(Loss) £
East Scot Training Services Limited	(14,910)	3,471
	=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

6. Debtors

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	10,341	35,755	-	-
Prepayments	2,444	1,331	-	-
Other debtors	-	-	21,415	82,688
Amounts owed by group undertaking	-	-	112,763	110,056
	<u>12,785</u>	<u>37,086</u>	<u>134,178</u>	<u>192,744</u>
	=====	=====	=====	=====

7(a) Creditors: Amounts falling due within one year

	Group 2017 £	As restated Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	326	1,590	-	-
Other taxes and social security costs	10,836	25,368	-	-
Accruals and deferred income	46,088	60,614	5,760	4,999
Other creditors	138	138	-	-
	<u>57,388</u>	<u>87,710</u>	<u>5,760</u>	<u>4,999</u>
	=====	=====	=====	=====

8(a) Statement of funds - Group

	As restated Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Unrestricted reserves	1,309,510	905,334	(872,155)	(8,905)	1,333,784
Revaluation	19,090	-	-	84,884	103,974
	<u>1,328,600</u>	<u>905,334</u>	<u>(872,155)</u>	<u>75,979</u>	<u>1,437,758</u>
	=====	=====	=====	=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

8(b) Statement of funds - Charity

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General fund	1,327,889	70,042	(40,334)	(8,905)	1,348,692
Revaluation reserve	19,090	-	-	84,884	103,974
	<u>1,346,979</u>	<u>70,042</u>	<u>(40,334)</u>	<u>75,979</u>	<u>1,452,666</u>
	=====	=====	=====	=====	=====

9. Stocks

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
	5,343	5,247	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

10(a) Analysis of Net Assets between Funds - Group

	Unrestricted Funds £	Investment Property Reserve £	2017 Total £	As restated 2016 Total £
Tangible fixed assets	356,844	-	356,844	362,834
Investment	770,000	103,976	873,976	689,092
Stock	5,343	-	5,343	5,247
Current assets	258,983	-	258,983	359,137
Creditors	(57,388)	-	(57,388)	(87,710)
	<u>1,333,782</u>	<u>103,976</u>	<u>1,437,758</u>	<u>1,328,600</u>
	=====	=====	=====	=====

10(b) Analysis of Net Assets between Funds - Charity

	Unrestricted Funds £	Investment Property Reserve £	2017 Total £	As restated 2016 Total £
Tangible fixed assets	338,400	-	338,400	345,600
Investment	770,000	103,976	873,976	689,092
Current assets	246,050	-	246,050	317,287
Creditors	(5,760)	-	(5,760)	(5,000)
	<u>1,348,690</u>	<u>103,976</u>	<u>1,452,666</u>	<u>1,346,979</u>
	=====	=====	=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

11(a) Reconciliation of net movement in funds to net cash flow operating activities - Group

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	24,274	91,391
Adjustment for:		
Depreciation	14,701	12,114
Losses/(gains) on investments	8,905	(3,339)
Dividends, interest and rents from investments	(23,627)	(16,986)
Decrease/(increase) in debtors	24,301	38,179
Increase/(decrease) in creditors	(30,322)	(9,604)
(Increase)/decrease in stock	(95)	1,645
Net cash provided by operation activities	18,137	113,400
	=====	=====

11(b) Reconciliation of net movement in funds to net cash flow operating activities - Charity

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	20,803	93,561
Adjustment for:		
Depreciation charges	7,200	7,200
Gains/(losses) on investments	8,905	(3,339)
Dividends, interest and rents from investments	(23,627)	(16,986)
Decrease in debtors	58,566	181,396
Increase in creditors	761	680
Net cash provided by operation activities	72,608	262,512
	=====	=====

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

12(a) Analysis of cash and cash equivalents - Group

	2017 £	2016 £
Cash in hand	246,198	322,051
	<u>246,198</u>	<u>322,051</u>
	=====	=====

12(b) Analysis of cash and cash equivalents - Charity

	2017 £	2016 £
Cash in hand	111,872	124,543
	<u>111,872</u>	<u>124,543</u>
	=====	=====

13. Contingent Liabilities

The company has an obligation to complete an apprentice's training once they are taken on as an apprentice. The company therefore has to ensure that it has the resources to meet the future costs which this will result in. Due to the uncertainty of whether an apprentice will complete their training and exact costs involved no estimate of amounts involved can be made.

14. Controlling Interest

There is no one individual who controls the group.

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

15(a) First time adoption of FRS 102 - Group

The group transitioned to FRS 102 from previously extant UK GAAP as at 1 July 2015. The impact of the transition to FRS 102 is as follows:

	As previously stated 1 July 2015 £	Effect of transition 1 July 2015 £	FRS 102 (as restated) 1 July 2015 £	As previously stated 30 June 2016 £	Effect of transition 30 June 2016 £	FRS 102 (as restated) 30 June 2016 £
Fixed assets	633,265	-	633,265	1,051,926	-	1,051,926
Current assets	702,273	-	702,273	364,384	-	364,384
Creditors: amounts falling due within one year	(85,849)	(11,466)	(97,315)	(75,765)	(11,945)	(87,710)
Net current assets/(liabilities)	616,424	(11,466)	604,958	288,619	(11,945)	276,674
Total assets less current liabilities	1,249,689	(11,466)	1,238,223	1,340,545	(11,945)	1,328,600
Net assets/(liabilities)	1,249,689	(11,466)	1,238,223	1,340,545	(11,945)	1,328,600
Capital and reserves	1,249,689	(11,466)	1,238,223	1,340,545	(11,945)	1,328,600

Angus Training Group Limited
(company limited by guarantee)

Notes to the accounts (continued)
for the year ended 30 June 2017

15(a) First time adoption of FRS 102 - Group (continued)

	<i>As previously stated 30 June 2016 £</i>	<i>Effect of transition 30 June 2016 £</i>	<i>FRS 102 (as restated) 30 June 2016 £</i>
Income	1,196,940	-	1,196,940
Expenses	(1,108,409)	(479)	1,108,888
Net income before other gains and losses	88,531	(479)	88,052
Gains/(losses) on revaluations of fixed assets	6,186	-	6,186
Gains on disposal of investment assets	3,339	-	3,339
Net movement in funds	98,056	(479)	97,577

15(b) First time adoption of FRS 102 - Charity

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 30 June 2016 and the date of transition to FRS 102 and SORP 2015 was therefore 1 July 2015. As a consequent of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.