

TULLOS TRAINING LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

TULLOS TRAINING LIMITED

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TULLOS TRAINING LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS DIRECTORS AND ADVISERS

Directors	G Corbett, Chair A Grant, Trustee
Company registered number	SC068734
Charity registered number	SC010963
Registered office	6 Bon Accord Square Aberdeen Aberdeenshire AB11 6XU
Principal operating office	Craigshaw Drive West Tullos AB12 3AL
Company secretary	Blackadders LLP
Chief executive officer	I Garrett
Independent auditors	AAB Audit & Accountancy Limited Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU
Bankers	Clydesdale Bank 1 Queens Cross Aberdeen AB15 4XU
Solicitors	Blackadders LLP 6 Bon Accord Square Aberdeen AB11 6XU

TULLOS TRAINING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2025

The directors present their annual report together with the audited financial statements of Tullos Training Limited for the year ended 30 June 2025.

The legal and administrative information set out on page 1 forms part of this report. The directors confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

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

Objectives and activities

a. Policies and objectives

The principal activity of the company for the period under review is to provide a quality engineering training facility for its clients.

Tullos Training continues to be at the forefront of training provision offering an unrivalled service to its customers. Our aim is to identify needs, promote learning and provide excellent educational and vocational training to enable our customers to remain at the forefront of their business by ensuring trainees achieve the skills and competence levels demanded by their industry.

Tullos Training specialises in the training of Modern Apprentices, with particular emphasis on the training of engineering and building services apprentices and it provides a comprehensive range of skills development and work related training opportunities.

Its client base is drawn from the engineering, manufacturing and building services industries as well as the wider business community and general public.

The company has developed a Business Plan which articulates its aspirations for the foreseeable future in meeting the challenges, changing need, demands and circumstance associated with the staff development requirements and skills profiles of employers.

The Business plan covers a 3 year period / rolling programme and concentrates on the company's strategic vision, along with the necessary operational plans to effect high standards in the delivery of training and related services to be provided for its business clients. It also defines the priorities and activities required to encourage growth and enable the company to develop and prosper for the benefit of our customers and their staff that it serves, the general public and the Scottish economy.

b. Strategies for achieving objectives

Strategies for achieving objectives

Our vision is to be an expanding, innovative first choice centre for:

- Modern Apprenticeships;
- Skills Training;
- Adult Learning;
- Further Education
- Personal Development.
- Training Development

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The company took positive action throughout the year to implement their plans to meet the company's Business objectives. This was against a background of changing demands and uncertainty from the post Covid 19 pandemic and many challenging issues arising from the economic, financial and political environments and the following specific achievements were recorded.

- Further consolidation of developments in foundation training for apprentices; updated training programmes to new national standards, improved documentation – with the centre operating under maximum capacity throughout the year.
- The company develop staff by encouraging their professional development which allows for more flexibility leading to a further increase in the range of short courses available especially bespoke courses to meet the requirements of the customer for both in-house and work-based courses and for a range of new and existing employers.
- Further develop and promote our HNC courses in Engineering to expand the scope of our Modern Apprenticeship's and as a further education course for new students and employers.
- Developing our marketing strategy by engaging more with Schools, career services and DYW to encourage more young people to consider a career in Engineering
- Consolidation of partnerships with local Education authorities to promote Foundation Apprenticeships in Engineering to more Aberdeenshire Schools.
- Maintaining existing business activity in current economic climate whilst developing leads and partnerships to further our business objectives.
- Further Development of Business Administration, Management and Logistics Modern Apprenticeships.
- Continued Engagement with local MSPs, Scottish Government Ministers, Local Authorities and relevant trade bodies regarding support for development of renewable energy qualifications and courses.
- Purchase of new computing equipment for CAD training programmes.
- The upgrade of the IT infrastructure to enhance the capabilities and security of our system.
- The company has many long-standing customers which is an endorsement for the services we provide.
- Investing in Emerging Technologies Equipment to meet demand for environmental training.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Achievements and performance

a. Review of activities

Tullos Training Limited is a well established training centre, which has built a strong reputation within Aberdeen and the surrounding area.

Tullos Training Limited currently employs 22 staff and is committed to providing a quality training service to client organisations and trainees and is prepared to use their substantial technical knowledge and experience to achieve these aims. Tullos Training Limited is committed to managing and developing their people; key systems have been developed and implemented with the broad aim of all our people having the relevant training and development to meet our objectives.

The management team currently have extensive knowledge of Modern Apprenticeships and awarding bodies requirements of training in their locality. Staff are flexible and responsive to the customer and training needs and this is illustrated by the willingness of our people to being totally committed to provide as wide a range of learning facilities and experiences as possible.

The Company offers a wide range of courses, providing a comprehensive selection across all engineering disciplines. A key strength of the Company lies in its ability to meet individual employer requirements through a bespoke training service, offering flexibility in both duration and mode of delivery, including full-time and block-release options. This is further supported by the provision of a comprehensive counselling service.

The Centre is equipped with an extensive range of engineering equipment covering the full spectrum of engineering trades. Equipment and facilities are continually updated where possible to meet customer needs, and new technologies are introduced in response to evolving industry demands. To ensure relevance and quality, the Centre maintains close consultation with its customers and regularly attends major engineering exhibitions.

The Centre's staff hold an enviable reputation within the Northeast of Scotland and are widely recognised for their expertise in delivering Engineering Modern Apprenticeships, National Certificates, and Higher National Certificates. The training team is highly skilled across all programme areas and demonstrates exceptional versatility, enabling the Centre to meet even the most complex customer requirements.

Throughout the year, the Company has continued to strengthen its position in the marketplace, with growing confidence from employers. Strategic investment has been made to reinforce its status as a market leader, including the recruitment of experienced training professionals to lead and further develop the training team. This has enhanced the quality of training delivery, increased employer confidence, and driven growing demand for Modern Apprenticeship programmes, providing a strong foundation for future growth and development.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Achievements and performance (continued)

b. Key financial performance indicators

The following provides a snapshot of some of the main KPI's achieved over the past year.

- Tullos Training Limited works closely with over 130 employers including many new customers.
- 106 new apprentices embarking on their Modern Apprenticeships.
- 62 apprentices completing their Modern Apprenticeships.
- MA achievement rate of 78.2% (KPI 75%).
- 53 apprentices achieved a Level 2 qualification and 59 Level 3 qualifications.
- Company currently working with 351 other Apprentices in the workplace and Training Centre.
- Tullos Training Limited delivered 242 other training events with a total of 832 training days for 167 delegates.
- Made 403 assessment visits to client companies with 92.3 % achieved within KPI target.
- Increase in range of courses offered.
- Retention of contract awards from Aberdeenshire council for the provision of Foundation Apprenticeship Programmes.
- 90% pass rate for students undertaking Higher National Certificates.

c. Factors relevant to achieve objectives

The Company monitors standards of performance in its training and across all functional areas of its business. Targets and performance indicators are identified each year through the business plan, and these are monitored and reviewed continuously.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Financial review

a. Going concern

Following appropriate enquiries, the Directors are satisfied that the charitable company has sufficient resources to continue its operations for the foreseeable future. On this basis, the financial statements have been prepared on a going concern basis. Further information regarding this assessment is included in the Accounting Policies.

b. Financial risk management objectives and policies

The Directors review the financial position of the Company on an ongoing basis. Due to the cyclical nature of the business, which is influenced by economic conditions, government legislation and demographic trends, the annual objectives set out in the business plan are also reviewed regularly.

The Chief Executive has undertaken a review of the principal risks to which the Company may be exposed, and a business continuity plan is in the process of being established. The primary purpose of this plan is to enhance the resilience of the business to both major and minor incidents and to mitigate the risk of such events adversely affecting the Company's operations.

Risk assessment and risk management form an integral part of this plan. The plan is reviewed on a regular basis, updated as required, and formally approved by the Directors on an annual basis.

Throughout the year, the Company took positive action to implement its plans in order to meet its business objectives. This was achieved against a backdrop of significant challenges arising from the prevailing economic, financial and political environment.

c. Principal funding

The major funding sources are Government training grants and employer contributions.

d. Principal risks and uncertainties

The principal risk to the business is rising inflation and its impact on the economic climate at local, national, and international levels. Many of our customers operate within the oil and gas and construction industries, where recruitment and training activity is heavily influenced by sector performance. Continued high global demand for oil-related products has driven up the cost of raw materials used within the Training Centre, increasing operational costs.

In response, the business has taken proactive steps to reduce wastage and control costs, ensuring the centre remains competitive despite these pressures.

In addition, the management learning programme aims to upskill supervisors by providing staff with clear targets and development goals, giving them practical experience in managing training functions. This approach helps mitigate the significant risk associated with retaining key staff. However, replacing employees through natural attrition remains challenging due to ongoing skill shortages. Despite this, the company is confident it is well positioned to address these challenges and maintain the continued success of the business.

e. Reserves policy

Tullos Training is a non profit making organisation and trading surpluses are reinvested into equipment and facilities ensuring member organisations and customers can take advantage of a first class training centre and enjoy complete value for money.

The current level of funds is being used to promote and support Modern Apprenticeships for Engineering in Scotland together with a replacement fund for equipment and building renovations and replacement.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Structure, governance and management

a. Constitution

The charitable company, which is a recognised charity in Scotland, is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 July 1979.

The organisation is a charitable company limited by guarantee, incorporated and registered as a charity in 1979. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £25.

The principal object of the charitable company is to promote and advance the theoretical and practical education and training to the engineering and associated industries.

b. Methods of appointment or election of directors

The directors of the company are also charity Directors for the purposes of charity law and under the company's Articles are known as members of the Board of Directors. Under the requirements of the Memorandum and Articles of Association the members are elected to serve for an indefinite period.

Mr A Grant and Mr G Corbett have indicated their willingness to continue in office.

The Board of Directors seeks to ensure that the needs of all members are appropriately reflected through the diversity of the trustee body. All members are invited, annually at the AGM, to consider offering themselves for appointment to the Board of Directors.

c. Policies adopted for the induction and training of directors

Existing Directors are already familiar with the practical work of the charity having been in office for a number of years.

New Directors would be selected from current members who also have a working knowledge of the charity's objectives and of its day to day operations.

Furthermore, new Directors are briefed personally by the Board of Directors and the Chief Executive on their appointment on the following:

- The obligations of the Board of Directors;
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts; and future plans and objectives

New Directors will also be encouraged to obtain and read guidance material published by the Office of the Scottish Charity Regulator regarding their duties and to attend training events held for this purpose in order to ensure that they familiarise themselves with their statutory duties as charity trustees.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025**

Structure, governance and management (continued)

d. Pay policy for senior staff

When appropriate the board of Directors conduct a salary review of all staff members taking into account all factors which are deemed necessary, the current and future forecast of the CPI index, current industry settlement figures and comparisons of salary agreements of similar training organisations and colleges providing services similar to the company. The objective is to ensure that all key personnel are provided with appropriate incentives and are rewarded for their experience, loyalty and individual contributions to the success of the charity.

e. Organisational structure and decision making

Tullos Training Limited has a current membership of four members from which the Directors who form the Board of Directors are appointed. The Board of Directors meets quarterly and is responsible for the strategic direction and policy of the charity. The Chief Executive and Company Secretary attend meetings of the Board of Directors but have no voting rights.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Chief Executive Officer, Iain Garrett, along with the Workshop Manager, Training Advisor, Senior Training Officer and Senior Administrator. The Chief Executive Officer is responsible for ensuring the charity delivers the services specified and that key performance indicators are met. He also has responsibility for the day to day operational management of the centre, individual supervision of the staff team and ensuring that the team continues to develop their skills and working practices in line with good practice.

f. Related parties

All members of the charity are also employers who use the training services provided. Each corporate member is represented by their nominee.

g. Risk management

The Directors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Significant risks are identified by the Directors as being the risk of government reducing or withdrawing grant funding to support the core business; the compliance with Health & Safety legislation – particularly given the nature of training offered and the age of the trainees; and the retention of key skilled training and management staff and the replacement of plant and machinery.

In response to the risk of a gap in external funding, the Directors regularly review and update the charity's business model. The strengths and weaknesses of the model are explored together with all potential funding sources with a view to providing the most financially viable base for future development.

The Health and Safety Training Advisor reports regularly to the Chief Executive on Health and Safety policy of the charity to ensure compliance with legislation and full implementation of the company's internal policies.

In providing effective training and maintaining accreditation to assess nationally recognised qualifications, it is imperative that key staff are identified, recruited and retained. To this end, the charity is committed to the Scottish Quality Management System (SQMS), governed by Skills Development Scotland, which sets out the minimum expected standards for training providers.

The charity is active in a number of industry forums which the Chief Executive attends on a regular basis. This facilitates exchange of information on current industry trends, best practice and other issues relevant to those involved in the provisions of training services.

TULLOS TRAINING LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

Plans for future periods

The company has an on going programme of reviewing and updating the services and products it delivers alongside its business partners and customers to meet current legislation and demand.

Future developments depend on the economic climate locally, nationally and internationally and are aimed at a large number of our customers who are dependent on the Oil, Gas and renewable's sector, working together to meet the requirements of the skill shortages in this industry.

The company plans to continue to extend and enhance its Training Programmes to meet the current and future needs of its clients by offering a Modern Apprenticeship Programme that is diverse in content and accessible to all whilst challenging the individual to fulfil their potential.

To continually review the business model of the Company with a view to secure its position in the marketplace going forward.

The Company plans to identify additional sources of funding to help finance the replacement of essential equipment to enable it to offer training on the most up to date and technological equipment.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

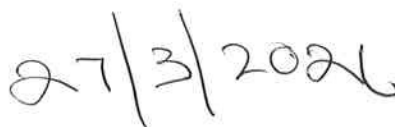
- so far as that director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charity's auditors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

Auditors

The auditors, AAB Audit & Accountancy Limited, have indicated their willingness to continue in office. The designated directors will propose a motion reappointing the auditors at a meeting of the directors.

Approved by order of the members of the board of directors and signed on their behalf by:

Date:



**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 30 JUNE 2025**

The directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial . Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the directors are required to:

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

The directors 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 (as amended). 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TULLOS TRAINING LIMITED

Opinion

We have audited the financial statements of Tullos Training Limited (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2025 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 for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TULLOS TRAINING LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Directors' responsibilities statement, the directors (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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TULLOS TRAINING LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets;
- Timing and completeness of revenue premonition; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading

Our audit procedures to respond to these risk included:

- Testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing judgments made by management in their calculation of accounting estimates for potential management bias;
- Enquiries of management about litigation and claims and inspection of relevant correspondence; and
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TULLOS TRAINING LIMITED (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with 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 directors those matters we are required to state to them in an Auditors' 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, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.

AAB Audit & Accountancy Limited

Derek Mair (Senior statutory auditor)

for and on behalf of

AAB Audit & Accountancy Limited

Statutory Auditor

Kingshill View

Prime Four Business Park

Kingswells

Aberdeen

AB15 8PU

Date: *27 March 2026*

AAB Audit & Accountancy Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

TULLOS TRAINING LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	11,000	-	11,000	-
Charitable activities	5	1,370,695	-	1,370,695	1,406,320
Other income	6	4,050	-	4,050	4,320
Total income		1,385,745	-	1,385,745	1,410,640
Expenditure on:					
Raising funds	7	(4,000)	-	(4,000)	(4,000)
Charitable activities		1,471,712	4,000	1,475,712	1,566,447
Total expenditure		1,467,712	4,000	1,471,712	1,562,447
Net income		(81,967)	(4,000)	(85,967)	(151,807)
Net movement in funds		(81,967)	(4,000)	(85,967)	(151,807)
Reconciliation of funds:					
Total funds brought forward		704,641	10,707	715,348	867,155
Net movement in funds		(81,967)	(4,000)	(85,967)	(151,807)
Total funds carried forward		622,674	6,707	629,381	715,348

The notes on pages 18 to 30 form part of these financial statements.

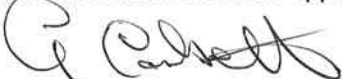
BALANCE SHEET
AS AT 30 JUNE 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	485,746	503,262
		<u>485,746</u>	<u>503,262</u>
Current assets			
Stocks		4,102	4,102
Debtors	14	361,835	355,790
Cash at bank and in hand		53,870	74,126
		<u>419,807</u>	<u>434,018</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(259,575)	(186,560)
		<u>160,232</u>	<u>247,458</u>
Net current assets			
		<u>645,978</u>	<u>750,720</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	16	(16,597)	(35,372)
		<u>629,381</u>	<u>715,348</u>
Total net assets			
		<u><u>629,381</u></u>	<u><u>715,348</u></u>
Charity funds			
Restricted funds	17	10,707	10,707
Unrestricted funds	17	618,674	704,641
		<u>629,381</u>	<u>715,348</u>
Total funds		<u><u>629,381</u></u>	<u><u>715,348</u></u>

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the directors and signed on their behalf by:

Date:  27/3/2026

The notes on pages 18 to 30 form part of these financial statements.

TULLOS TRAINING LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	7,951	(833)
Cash flows from investing activities		
Interest received	736	737
Purchase of tangible fixed assets	(17,856)	(3,999)
Net cash used in investing activities	(17,120)	(3,262)
Cash flows from financing activities		
Repayments of borrowing	(18,774)	(18,774)
Interest paid	(1,088)	(812)
Net cash used in financing activities	(19,862)	(19,586)
Change in cash and cash equivalents in the year	(29,031)	(23,681)
Cash and cash equivalents at the beginning of the year	74,126	97,807
Cash and cash equivalents at the end of the year	45,095	74,126

The notes on pages 18 to 30 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

1. General information

The charitable company is a company limited by guarantee. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £25 per member of the charitable company.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Tullos Training Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The directors, having made due and careful enquiry, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Income

All income is recognised once the charitable 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. Accounting policies (continued)

2.4 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following bases:

Leasehold	- Over period of lease
Improvements to property	- Straight line over 10-15 years or over life of lease
Plant and machinery	- 10-20 years straight line
Motor vehicles	- 4 years straight line
Fixtures and fittings	- 5 years straight line
Computer equipment	- 5-10 years straight line

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. Accounting policies (continued)

2.9 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.

2.10 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 charitable 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 in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The charitable 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.

2.12 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

2.13 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The 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 are discussed below.

TULLOS TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

4. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Grants	11,000	11,000	-

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Training income	1,370,695	1,370,695	1,406,320

6. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Rental income	4,050	4,050	4,320

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Allocated centrally incurred fundraising and governance costs	(4,000)	(4,000)	(4,000)

TULLOS TRAINING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Training	977,588	494,124	1,471,712	1,562,447
Depreciation	4,000	-	4,000	4,000
	<u>981,588</u>	<u>494,124</u>	<u>1,475,712</u>	<u>1,566,447</u>
Total 2024	<u>1,098,782</u>	<u>467,665</u>	<u>1,566,447</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	511,612	562,541
Depreciation	35,372	46,278
Rent and rates	93,642	89,151
Insurance	13,108	13,757
Light and heat	36,768	43,240
Telephone	5,441	5,234
Postage and stationery	10,643	14,796
Sundries	8,817	9,670
Staff course expenses	2,326	1,295
Travel and accomodation	14,442	13,464
Subscriptions	20,949	20,654
Repairs	7,210	10,198
Rentals and leases	11,023	24,427
College expenses	40,932	35,006
Disallowable VAT	42,667	38,175
Bad debts	-	8,774
Workshop	39,165	63,148
Computer expenses	1,980	2,438
Canteen expenses	23,410	24,827
Professional fees	44,610	57,051
Motor expenses	13,119	10,583
Interest payable	352	75
Fundraising costs	4,000	4,000
	<u>981,588</u>	<u>1,098,782</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	477,144	447,759
Professional fees	16,980	19,906
	<u>494,124</u>	<u>467,665</u>

9. Net income

This is stated after charging:

	2025 £	2024 £
Depreciation of tangible fixed assets: - owned by the charity	<u>35,372</u>	<u>46,278</u>

10. Auditors' remuneration

	2025 £	2024 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	12,600	13,250
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	<u>1,400</u>	<u>9,696</u>

11. Staff costs

	2025 £	2024 £
Wages and salaries	854,320	876,246
Social security costs	91,668	88,992
Contribution to defined contribution pension schemes	42,768	45,062
	<u>988,756</u>	<u>1,010,300</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

11. Staff costs (continued)

The average number of persons employed by the charitable company during the year was as follows:

	2025 No.	2024 No.
Employees	23	25

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

	2025 No.	2024 No.
In the band £130,001 - £140,000	1	1

The key management personnel of the charity, comprises the Chief Executive, Training Advisor and Head of Administration & Finance. The total employee benefits of the key management personnel of the charity were £289,385 (2024 - £274,872).

12. Directors' remuneration and expenses

During the year, no directors received any remuneration or other benefits (2024 - £NIL).

During the year ended 30 June 2025, no director expenses have been incurred (2024 - £NIL).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

13. Tangible fixed assets

	Tenants' improvements £	Leasehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation							
At 1 July 2024	412,992	404,941	484,757	11,203	56,889	171,540	1,542,322
Additions	6,798	-	1,468	-	9,590	-	17,856
At 30 June 2025	419,790	404,941	486,225	11,203	66,479	171,540	1,560,178
Depreciation							
At 1 July 2024	304,286	78,313	471,817	11,203	52,892	120,549	1,039,060
Charge for the year	7,069	7,641	2,920	-	1,813	15,929	35,372
At 30 June 2025	311,355	85,954	474,737	11,203	54,705	136,478	1,074,432
Net book value							
At 30 June 2025	108,435	318,987	11,488	-	11,774	35,062	485,746
At 30 June 2024	108,706	326,628	12,940	-	3,997	50,991	503,262

TULLOS TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	189,867	125,477
Other debtors	135	16,931
Prepayments and accrued income	171,833	213,382
	<u>361,835</u>	<u>355,790</u>

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Bank overdrafts	8,776	-
Bank loans	10,000	10,000
Other loans	8,775	8,775
Trade creditors	40,854	37,725
Other taxation and social security	57,695	36,728
Other creditors	55,110	12,696
Accruals and deferred income	78,365	80,636
	<u>259,575</u>	<u>186,560</u>

The facilities provided by the bank are secured through two floating charges over the assets and undertakings of the company. There are also securities with a first charge over leasehold premises located at Craigshaw Drive, Tullos, Aberdeen and a charge over the debtor book.

Interest is charged on the bank loan at 0% for the first 12 months and then at 2.5% thereafter. The bank loan is a 6-year loan with repayments starting in December 2021.

The other loan was taken to purchase fixed assets in the year. Interest is charged on the other loan at 0% per annum. The other loan is a 5-year loan with repayments starting in July 2023.

16. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Bank loans	4,167	14,167
Other loans	12,430	21,205
	<u>16,597</u>	<u>35,372</u>

TULLOS TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

17. Statement of funds

Statement of funds - current year

	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2025 £
Unrestricted funds					
General funds	403,061	1,365,758	(1,451,725)	6,935	324,029
Revaluation reserve	301,580	-	-	(6,935)	294,645
	<u>704,641</u>	<u>1,365,758</u>	<u>(1,451,725)</u>	<u>-</u>	<u>618,674</u>
	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2025 £
Restricted funds					
Restricted Funds - all funds	<u>10,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,707</u>
Total of funds	<u>715,348</u>	<u>1,365,758</u>	<u>(1,451,725)</u>	<u>-</u>	<u>629,381</u>

The restricted fund represents funds received for the purchase of fixed assets.

Statement of funds - prior year

	Balance at 1 July 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2024 £
Unrestricted funds					
General funds	543,933	1,410,640	(1,558,447)	6,935	403,061
Revaluation reserve	308,515	-	-	(6,935)	301,580
	<u>852,448</u>	<u>1,410,640</u>	<u>(1,558,447)</u>	<u>-</u>	<u>704,641</u>
Restricted funds					
Restricted Funds - all funds	<u>14,707</u>	<u>-</u>	<u>(4,000)</u>	<u>-</u>	<u>10,707</u>
Total of funds	<u>867,155</u>	<u>1,410,640</u>	<u>(1,562,447)</u>	<u>-</u>	<u>715,348</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	(85,967)	(151,807)
Adjustments for:		
Depreciation	35,372	46,278
Interest payable	352	75
Decrease/(increase) in debtors	(6,045)	151,332
Increase/(decrease) in creditors	64,239	(68,685)
Net cash provided by/(used in) operating activities	7,951	(22,807)

19. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	45,095	74,126
Total cash and cash equivalents	45,095	74,126

20. Analysis of changes in net debt

	At 1 July 2024 £	Cash flows £	At 30 June 2025 £
Cash at bank and in hand	74,126	(20,256)	53,870
Bank overdrafts repayable on demand	-	(8,776)	(8,776)
Debt due within 1 year	(18,775)	-	(18,775)
Debt due after 1 year	(35,372)	18,775	(16,597)
	19,979	(10,257)	9,722

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

21. Pension commitments

The charity contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year. The amount contributed within the year ending 30 June 2025 was £42,768 (2024 - £45,062). At the year end there is a balance of £16,953 (2024 - £8,440) to be paid into the pension scheme.

22. Operating lease commitments

At 30 June 2025 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Property		
Not later than 1 year	61,786	61,786
Later than 1 year and not later than 5 years	214,068	247,144
Later than 5 years	1,780,020	1,808,730
	<u>2,055,874</u>	<u>2,117,660</u>
	2025 £	2024 £
Other assets		
Within 1 year	9,064	7,674
Between 1 and 5 years	9,075	16,750
	<u>18,139</u>	<u>24,424</u>

23. Related party transactions

Control

Throughout the year the company was controlled by directors.

Transactions

The charitable company has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the charitable company at 30 June 2025.