



OPITO Training Management Limited
Annual report and financial statements
for the year ended 31 December 2015

Registered Number SC260821



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for the year ended 31 December 2015

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Directors and Advisors for the year ended 31 December 2015

Directors

M Webb	Resigned 31 May 2015
G McNeil	
J McDonald	
L. Sealey	
D. De Leeuw	Appointed 28 June 2015

Company Secretary and Registered Office

J P Day
OPITO Ltd
Minerva House
Bruntland Road
Portlethen
Aberdeen
Aberdeenshire
AB12 4QL

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
141 Bothwell Street
Glasgow
G2 7EQ

Bankers

Bank of Scotland
31 High Street
Montrose
DD10 8LT

Solicitors

The Commercial Law Practice
Commercial House
2 Rubislaw Terrace
Aberdeen
AB10 1XE

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Strategic report for the year ended 31 December 2015

The directors present their strategic report for the year ended 31 December 2015.

Principal activities

The principal activity of the company is to provide management of the upstream oil and gas modern apprentice scheme, now re-named as OGTAPE and other bespoke major employer schemes. The profit and loss account for the year is set out on page 10.

Review of business and future developments

Business results for 2015 were in line with expectations which were to recruit circa 70 new trainees (the actual figure was 76).

The outlook for 2016 remains uncertain largely due to the falling BOE price and the drive for cost reduction and improved efficiencies across the industry.

Therefore there is strong evidence that the scheme will continue to receive a level of industry support even in these uncertain times with circa 40 – 50 trainees being recruited.

The intake in 2016 is expected to be slightly lower than 2015 which given the current market uncertainty still demonstrates the importance of the scheme to the industry and its operator employers/sponsors.

The scheme continues to be viewed by its sponsors as an exemplar model for industry supported Modern apprentice schemes. It continues to have less than 10% annual attrition and a consistent success rate of over 90% completion within the stated period of training. Current industry investment remains at approximately £80,000 - £85,000 per trainee over the 45 month duration.

Given the straightforward nature of the group's activities, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The Upstream Modern Apprenticeship Technician Training Scheme/OGTAP continues to be supported by the North Sea operators with a consistent trend of annual recruitment. Now entering its 17th year it has become a vital scheme to the industry's sustainability by supplying a constant supply of new talent. The industry support regardless of BOE price or investment fluctuations over the past 16 years provides a clear demonstration that the annual investment (circa £8m) returns significant value to the industry.

Human resources

The group's most important resource is its people. Retention of key staff is critical and the group has invested increasingly in employment, training and development and has introduced appropriate incentive and career progression arrangements.

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Strategic report for the year ended 31 December 2015 (continued)

Human resources (continued)

OPITO Training Management Limited is committed to a policy of non-discrimination on any grounds during the course of an individual's employment but also during the selection process, be it the recruitment of external job applicants, the review of internal candidates or in the provision of training and development.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'John McDonald', is written over a horizontal line.

John McDonald
Director
22 June 2016

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Directors' report for the year ended 31 December 2015

Principal activities

The principal activities of OPITO Training Management Limited have been included in our Strategic Report.

Future developments

The future developments of the business activities undertaken by OPITO Training Management Limited have been included in our Strategic Report.

Results and dividends

The directors of the Company do not recommend the payment of a dividend. (2014 : £nil). The profit for the financial year of £10,106 (2014 : £7,412) has been added to reserves.

Financial risk management

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

Price risk

Price risk regarding escalation of costs of products and services supplied to the company is low due to the robust tendering process and effective contract management processes.

Credit Risk

Credit risk on amounts owed to the company by its customers is low as debtor balances are managed by finance and are from Blue Chip organisations within the Oil and Gas industry.

Liquidity risk

The company has no long term borrowing. The company will make use of its overdraft facility when required.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

M. Webb	Resigned 31 May 2015
G McNeil	
J McDonald	
L.Sealey	
D. De Leeuw	Appointed 28 June 2015

Directors' interests in shares of the company

No directors held beneficial interests in the shares of the company at 31 December 2015 or at any time during the year.

Statement of directors' responsibilities

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

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

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Directors' report for the year ended 31 December 2015 (continued)

Statement of directors' responsibilities (continued)

law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and the directors have taken all the steps that ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



John McDonald
Director
22 June 2016

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Independent auditors' report to the members of OPITO Training Management Limited

Report on the financial statements

Our opinion

In our opinion, OPITO Training Management Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.

What we have audited

The financial statements, included within the Annual report and financial statements for the year ended 31 December 2015 (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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Independent auditors' report to the members of OPITO Training Management Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Martin Pitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
22 June 2016

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Profit and loss account
for the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	4	9,155,983	9,158,201
Administrative expenses		(9,155,983)	(9,158,201)
Operating Profit	5	-	-
Interest Receivable and similar income		12,633	9,265
Profit on ordinary activities before taxation		12,633	9,265
Tax on profit on ordinary activities	8	(2,527)	(1,853)
Profit for the financial year	13	10,106	7,412
Statement of retained earnings			
At 1 January	13	169,951	162,539
Profit for the financial year	13	10,106	7,412
At 31 December	13	180,057	169,951

All of the company's operations relate to continuing activities.

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Balance sheet as at 31 December 2015

	Note	2015 £	2014 £
Current assets			
Debtors	9	351,141	1,201,728
Cash at bank and in hand		2,837,054	4,039,148
		3,188,195	5,240,876
Creditors: amounts falling due within one year	10	(1,704,816)	(4,151,170)
Net current assets		1,483,379	1,089,706
Creditors: amounts falling due after more than one year	11	(1,303,321)	(919,754)
Net assets		180,058	169,952
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	180,057	169,951
Total shareholders' funds	14	180,058	169,952

The financial statements on pages 10 to 17 were approved by the Board of Directors on 22 June 2016 and were signed on its behalf by:



John McDonald
Director
22 June 2016

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Notes to the financial statements

for the year ended 31 December 2015

1 General information

OPITO Training Management Limited is a private company limited by shares and is incorporated in Scotland. The address of its registered office is Minerva House, Bruntland Road, Portlethen, Aberdeenshire, Aberdeen, AB12 4QL.

2 Statement of compliance

The financial statements of OPITO Training Management Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. This is the first year that OPITO Training Management Limited has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. No adjustments were identified as a result of the transition to FRS 102 beyond disclosure changes. No further reconciliation or explanation of the impact of the transition to FRS 102 has been presented.

3 Principal accounting policies

The financial statements have been prepared under the historical costs convention, on the going concern basis. No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. A summary of the more important accounting policies which have been applied consistently, is set out below.

FRS 102 disclosure exemptions

Since the company is a qualifying entity, as defined by FRS 102, and its results are consolidated within its ultimate parent's publicly available consolidated financial statements (see Note 15), all relevant disclosure exemptions are taken as noted in FRS 102 section 1.12.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- Provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets.
- On the basis of all available evidence deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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Notes to the financial statements
for the year ended 31 December 2015 (continued)

3 Principal accounting policies (continued)

Financial instruments

OPITO Training Management Limited has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, are recognised at transaction price and subsequently carried at amortised cost. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment loss is recognised in profit or loss.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price and subsequently carried at amortised cost. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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Notes to the financial statements
for the year ended 31 December 2015 (continued)

4 Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of services supplied. Turnover consists entirely of sales made in the United Kingdom.

Turnover is recognised when, and to the extent that, OPITO Training Management Limited obtains the right to consideration in exchange for its performance, the amount of revenue can be reliably measured, and it is probable that the future economic benefits will flow to the Company.

Sponsoring companies are invoiced in advance for the participation of their apprentices in the training program. Income is deferred and released to profit and loss as associated expenditures are incurred.

5 Operating profit

Result	2015 £	2014 £
Operating result is stated after charging:		
Auditors' remuneration – Fees payable for the audit	8,416	8,211

6 Directors' emoluments

The directors did not receive any emoluments in respect of their services to the company (2014: £nil).

7 Employee information

The average monthly number of persons employed by the company during the year is analysed below:

	2015 Number	2014 Number
Administration	394	289

	2015 £	2014 £
Wages and salaries	4,990,581	4,105,590
Social security costs	214,106	257,446
Other Pension costs	46,636	29,393
Total direct costs of employment	5,251,323	4,392,429

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Notes to the financial statements
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8 Tax on profit on ordinary activities

	2015 £	2014 £
Current tax		
UK corporation tax on profits of the year	2,527	1,853
Tax on profit on ordinary activities	2,527	1,853

The tax assessed is the same as the standard rate of corporation tax in the UK 20% (2014: 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	12,633	9,265
Profit on ordinary activities multiplied by corporation tax rate 20% (2014: 20%)	2,527	1,853
Total tax charge for year	2,527	1,853

9 Debtors

	2015 £	2014 £
Trade debtors	346,239	1,199,416
Other debtors	-	-
Prepayments and accrued income	4,902	2,312
	351,141	1,201,728

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Notes to the financial statements
for the year ended 31 December 2015 (continued)

10 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	57,587	1,920,111
Amounts owed to group undertakings	282,424	295,188
Accruals	156,034	11,974
Other creditors	6,543	11,830
Deferred income	860,107	1,533,488
Taxation and social security costs	342,121	378,579
	1,704,816	4,151,170

	2015 £	2014 £
Taxation and social security is made up as follows:		
Corporation Tax	2,527	1,438
PAYE and social security	74,961	65,560
VAT	264,633	311,581
	342,121	378,579

11 Creditors: amounts falling due after more than one year

	2015 £	2014 £
Deferred Income	1,303,321	919,754

12 Called up share capital

	2015 £	2014 £
Authorised		
100 (2014: 100) ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
1 (2014: 1) ordinary shares of £1 each	1	1

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Notes to the financial statements
for the year ended 31 December 2015 (continued)

13 Profit and loss account

	2015 £	2014 £
At 1 January	169,951	162,539
Profit for the financial year	10,106	7,412
At 31 December	180,057	169,951

14 Reconciliation of movements in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	169,952	162,540
Profit for the financial year	10,106	7,412
Closing shareholders' funds	180,058	169,952

15 Ultimate parent company and ultimate controlling party

The immediate parent undertaking is Offshore Training Foundation, a charitable company incorporated in Scotland.

The ultimate parent undertaking and controlling party is OPITO Strategic Limited, a company incorporated in Scotland.

OPITO Strategic Ltd is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2015. The consolidated financial statements of OPITO Strategic Ltd available from Minerva House, Bruntland Road, Portlethen, Aberdeen, AB12 4QL

Offshore Training Foundation is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Offshore Training Foundation can be obtained from Minerva House, Bruntland Road, Portlethen, Aberdeen, AB12 4QL

16 Related party transactions

The company has taken advantage of the exemption under FRS 102 section 33.1A not to disclose details of intra-group transactions on the grounds that it is a subsidiary where 100% of the voting rights are controlled by Offshore Training Foundation.

The consolidated financial statements are available from OPITO Training Management Limited, Minerva House, Bruntland Road, Portlethen, AB12 4QL.

There are no other related party transactions.