

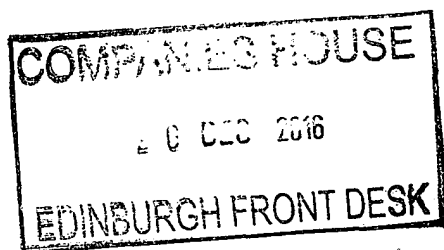
**SCRAN Limited**

**t/a RCAHMS Enterprises**

**Annual report and financial statements**

**Registered number SC163518(Scotland)**

**31 March 2016**



**TUESDAY**



**\*S5M8C8YX\***

**SCT**

**20/12/2016**

**#478**

**COMPANIES HOUSE**

## **Company information**

### **Directors**

Stephen Alexander Duncan  
Martin Charles Fairley

### **Secretary**

Adam Jackson

### **Auditors**

KPMG LLP  
Saltire Court, 20 Castle Terrace  
Edinburgh EH1 2 EG

### **Bankers**

Bank of Scotland  
Royal Mile Branch  
PO Box 1000  
Edinburgh  
BX2 1LB

### **Registered office**

John Sinclair House  
16 Bernard Terrace  
Edinburgh  
EH8 9NX

### **Registered number**

SC163518

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## Strategic report

SCRAN Ltd, the Company, was a wholly owned subsidiary of the SCRAN Trust at the start of the year. On 22 February 2016 the assets, liabilities and undertakings of the SCRAN Trust were transferred to Historic Environment Scotland and thus, the Company became a wholly owned subsidiary to Historic Environment Scotland at that date. The company continued to trade to 31 March 2016, its activities were then transferred to its new parent entity Historic Environment Scotland and a fellow subsidiary. As the activities are no longer continuing in SCRAN Limited, the accounts of the Company have not been prepared on a going concern basis. Although the activities of SCRAN have been transferred, SCRAN continues to own the licences to digital images used in the activities.

The Company managed a number of websites namely: SCRAN Learning Resources, Canmore, and Britain From Above. Turnover comprises subscriptions to the websites, image sales, consultancy and sale of books. The Company offers free access to the SCRAN Learning Resources to schools and educational establishments. The profit and loss account is set out on page nine. A profit after tax of £204,638 was delivered, on turnover of £958,436.

By order of the board



Martin Fairley  
Director

15 December 2016

[Date]

## Directors' report

### Directors

The directors who held office during the year were as follows:

Stephen Alexander Duncan (Appointed 3 March 2016)  
Martin Charles Fairley (Appointed 22 February 2016)  
Kate Frances Byrne (Resigned 22 February 2016)  
Mark Thomas Hopton (Resigned 17 February 2016)  
Professor John Robert Hume (Resigned 22 February 2016)  
Professor John Hunter (Resigned 22 February 2016)  
Paul Robert Jardine (Resigned 17 February 2016)  
Sir Mark Ellis Powell Jones (Resigned 22 February 2016)  
Diana Mary Murray (Resigned 22 February 2016)

### Employees

The Company employed no staff during the year.

### Political contributions

The Company made no political donations or incurred any political expenditure during the year.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page four.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Martin Fairley  
Director

15 December 2016

Date

John Sinclair House  
16 Bernard Terrace  
Edinburgh  
EH8 9NX

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCRAN Limited**

We have audited the financial statements of SCRAN Limited for the year ended 31 March 2016 set out on pages 9 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter - non-going concern basis of preparation**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note.

### **Opinion on other matters 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCRAN Limited** *(continued)*

### **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 requires us to report to you if, in our opinion:

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



**Andrew Shaw (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

Saltire Court  
20 Castle Terrace  
Edinburgh  
EH1 2EG

*19 December 2016*



**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 March 2016*

	Note	2016 £	2015 £
Turnover	2	958,436	852,651
Cost of sales		(126,081)	(225,649)
<b>Gross profit</b>		<b>832,355</b>	<b>627,002</b>
Administrative expenses		(623,871)	(543,086)
<b>Operating profit</b>		<b>208,484</b>	<b>83,916</b>
Interest payable and similar charges	3	(3,846)	(3,956)
<b>Profit on ordinary activities before taxation</b>		<b>204,638</b>	<b>79,960</b>
Tax on profit on ordinary activities	7	-	-
<b>Profit and total comprehensive income for the financial year</b>		<b>204,638</b>	<b>79,960</b>

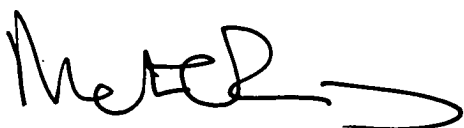
There were no recognised gain and losses other than as shown above in the current and previous year.

## Balance Sheet

at 31 March 2016

	Note	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	8		-		14,340
<b>Current assets</b>					
Stocks	9	29,463		18,881	
Debtors	10	1,101,052		1,331,034	
Cash at bank and in hand		244,689		76,328	
		<u>1,375,204</u>		<u>1,426,243</u>	
Creditors: amounts falling due within one year	11	(220,465)		(490,257)	
<b>Net current assets</b>			1,154,739		935,986
<b>Total assets less current liabilities</b>			<u>1,154,739</u>		<u>950,326</u>
Creditors: amounts falling due after more than one year	12		(2,037)		(2,262)
<b>Net assets</b>			<u>1,152,702</u>		<u>948,064</u>
<b>Capital and reserves</b>					
Called up share capital	13	1,908,158		1,908,158	
Profit and loss account		(755,456)		(960,094)	
<b>Shareholders' funds</b>			<u>1,152,702</u>		<u>948,064</u>

These financial statements were approved by the board of directors and were signed on its behalf by:



**Martin Fairley**  
Director

15 December 2016

Date:

Company registered number: Registered number SC163518(Scotland)

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

SCRAN Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with the Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014*. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

In the transition to FRS 102 from old UK GAAP, the Company has no need to make measurement and recognition adjustments.

The Company's parent undertaking at 31 March 2016, Historic Environment Scotland, includes the Company in its consolidated financial statements. The consolidated financial statements of Historic Environment Scotland are prepared in accordance with FRS102 charities SORP and are available to the public and may be obtained from Longmore House, Salisbury Place, Edinburgh EH9 1SH.

In these financial statements, the company is consolidated to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the cashflow statement and related notes and in respect of related party disclosure.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

On 1 April 2016 the activities of the Company were transferred to the parent undertaking Historic Environment Scotland and a fellow subsidiary of the parent, Historic Environment Scotland Enterprises Limited. As the activities are no longer continuing within the company in the opinion of the directors it is not appropriate to prepare the financial statement on a going concern basis.

#### 1.3 Foreign currency

Transactions arising overseas are all carried out in sterling.

#### 1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

## Notes (continued)

### 1.5 Basic financial instruments

#### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs.

#### *Cash*

Cash comprises cash balances held in the Company's bank account.

### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- plant and machinery 3 years
- computer equipment 1 year

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

### 1.8 Impairment excluding stocks, and deferred tax assets

#### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 1.9 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

### 1.10 Expenses

#### *Interest payable*

Interest payable and similar charges includes bank and card charges.

## Notes (continued)

### 1.11 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## 2 Turnover

	2016 £	2015 £
Sale of books, images and reproductions	820,365	707,514
Rendering of services	138,071	145,137
Total turnover	<u>958,436</u>	<u>852,651</u>
	2016 £	2015 £
By activity		
Subscriptions	115,105	115,107
Images sale	728,633	585,172
Books and publications	91,732	122,342
Consultancy	19,596	27,770
Administration fee	3,370	2,197
	<u>958,436</u>	<u>852,651</u>

## 3 Expenses and auditors' remuneration

### Auditor's remuneration:

	2016 £	2015 £
Audit of these financial statements	<u>9,000</u>	<u>3,798</u>

## 4 Staff numbers and costs

The Company employed no staff during the year

## 5 Directors' remuneration

The Directors received no remuneration during the year.

## Notes (continued)

### 6 Interest payable and similar charges

	2016 £	2015 £
Bank charges	3,846	3,956

### 7 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2016 £	2015 £
Profit for the year	204,638	79,960
Total tax expense	-	-
Profit excluding taxation	204,638	79,960
Tax using the UK corporation tax rate of 20% (2015: 20 %)	40,928	15,992
Non-deductible expenses	2,868	2,868
Capital allowances	(503)	(614)
Recognition of previously unrecognised tax losses	(43,293)	(18,246)
Total tax expense included in profit or loss	-	-

The Company has additional unrecognised gross tax losses of £548,371 (2015: £764,832).

### 8 Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
<b>Cost</b>			
Balance at 1 April 2015 and at 31 March 2016	46,827	6,079	52,906
<b>Depreciation</b>			
Balance at 1 April 2015	32,487	6,079	38,566
Depreciation charge for the year	14,340	-	14,340
Balance at 31 March 2016	46,827	6,079	52,906
<b>Net book value</b>			
At 1 April 2015	14,340	-	14,340
At 31 March 2016	-	-	-

### 9 Stocks

	2016 £	2015 £
Books	29,463	18,881

## Notes (continued)

### 10 Debtors: due within one year

	2016 £	2015 £
Trade debtors	193,426	262,083
Amounts owed by group undertakings	855,035	1,053,326
Taxation and social security	32,368	-
Prepayments and accrued income	20,223	15,625
	<u>1,101,052</u>	<u>1,331,034</u>

### 11 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	11,855	3,733
Amounts owed to group undertakings	93,908	375,397
Taxation and social security	-	229
Other creditors	50,093	35,466
Accruals and deferred income	64,609	75,432
	<u>220,465</u>	<u>490,257</u>

### 12 Creditors: amounts falling after more than one year

	2016 £	2015 £
Accruals and deferred income	2,037	2,262
	<u>2,037</u>	<u>2,262</u>

### 13 Capital and reserves

#### Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
1,908,158 ordinary shares of £1 each	<u>1,908,158</u>	<u>1,908,158</u>

### 14 Related parties

During the year the Company was charged management charges from its ultimate parent entity, The Royal Commission on the Ancient and Historical Monuments of Scotland. The management charges covered salary and overhead costs for the six months to 30 September 2015. Following the merger of Historic Scotland and The Royal Commission on the Ancient and Historical Monuments of Scotland on 1 October 2015, management charges were invoiced by Historic Environment Scotland. The Company became a subsidiary of Historic Environment Scotland on 22 February 2016.

The Company's immediate parent undertaking for the period to 22 February 2016 was the SCRAN Trust, the Trust provided access to its database in connection with certain sales at no cost. The SCRAN Trust transferred £200,000 to the Company during the period, by way of intercompany account.

## Notes (continued)

### Other related party transactions

	Sales to		Management charges incurred from	
	2016	2015	2016	2015
	£	£	£	£
The Royal Commission on the Ancient and Historical Monuments of Scotland	-	-	304,097	530,929
Historic Environment Scotland	2,616	-	53,371	-
	<u>2,616</u>	<u>-</u>	<u>357,468</u>	<u>530,929</u>
	<u><u>2,616</u></u>	<u><u>-</u></u>	<u><u>357,468</u></u>	<u><u>530,929</u></u>

	Receivables outstanding		Creditors outstanding	
	2016	2015	2016	2015
	£	£	£	£
The Royal Commission on the Ancient and Historical Monuments of Scotland	-	-	-	375,397
The SCRAN Trust	-	1,053,326	-	-
Historic Environment Scotland	855,035	-	93,908	-
	<u>855,035</u>	<u>1,053,326</u>	<u>93,908</u>	<u>375,397</u>
	<u><u>855,035</u></u>	<u><u>1,053,326</u></u>	<u><u>93,908</u></u>	<u><u>375,397</u></u>

### 15 Ultimate parent company

The Company is a subsidiary undertaking of Historic Environment Scotland, which is the ultimate controlling party.

### 16 Subsequent event

Subsequent to the balance sheet date, all trading activities were transferred to the parent undertaking and its subsidiary.

### 17 Transition to FRS 102

The company has adopted FRS 102 for the year ended 31 March 2016 and has changed the comparative prior year amounts for turnover and cost of sales. Previously Scrans Limited, regarded as the principal agent for consultancy work included within its Profit and Loss account fees and cost of sales of £294,304. There is no change to the underlying profit reported for the company the year ended 31 March 2015.