

**Royal Commission on the Ancient and
Historical Monuments of Scotland**

Commissioners' report and consolidated
financial statements

31 March 2015

Charity number SC 026749

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Commissioners

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Charity number	SC026749

Report of the Commissioners

The Commissioners have pleasure in submitting their annual report for the year ended 31 March 2015. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

The Royal Commission on the Ancient and Historical Monuments of Scotland (RCAHMS), as a national collection, has exemption from the independence test under section 7 of the Charities and Trustee Investment (Scotland) Act 2005.

Structure, governance and management

Constitution

RCAHMS was established by Royal Warrant in 1908, which was revised in 1992. The organisation is regarded as an executive non-departmental public body (NDPB) funded by the Scottish Parliament through the Scottish Government's Directorate for Culture and Heritage.

Commissioners

RCAHMS has a Chairman and nine Commissioners. The Commissioners are responsible for ensuring that RCAHMS performs the role and functions laid out in the Royal Warrant, ensuring financial probity and advising on proper and efficient conduct. It has an arm's length relationship with government which provides: focus on a clear role and purpose for an extended period; authenticity; and reach to places where government cannot get. The Royal Warrant allows for the appointment of up to 15 Commissioners including the Chairman.

Appointment and induction of Commissioners

Commissioners are selected at interview for the relevance and appropriateness of their skills and experience to RCAHMS and are appointed by The Queen on the advice of Scotland's First Minister. Commissioners are appointed for a five year term and, with Ministers' consent, may be reappointed for a further five year term. They must stand down after ten years, however, at midnight on September 30th 2015, RCAHMS will cease to exist and Commissioners will complete their terms of office. With Ministers' consent, a number, who were due to retire, have had their terms extended to carry their responsibilities through to this date. While ensuring that RCAHMS takes account of Scottish Government guidance and meets Scottish Cultural Policy, Commissioners provide a strategic and independent view of the role of RCAHMS that is essential in maintaining its arm's length position from the Scottish Government and Scottish Ministers. They assess the performance of the Secretary (Chief Executive) and act as Trustees for RCAHMS as a charity.

Commissioners are required to adhere to the Standards Commission's Code of Conduct for members of public bodies (approved by the Scottish Ministers). They are also expected to conduct the business of RCAHMS according to the Principles of Corporate Governance, which are set out in 'On Board – A Guide for Board Members of Public Bodies in Scotland'. All Commissioners are appraised by the Chairman in accordance with the Code of Practice for Ministerial Appointments to Public Bodies.

RCAHMS maintains a Commissioners' Register of Interests, which complies with the requirements of the Ethical Standards in Public Life (Scotland) Act 2002. The Register is available on our website (www.rcahms.gov.uk) and for inspection at RCAHMS on application to the Head of Corporate Affairs.

Related organisations

In April 2008, SCRAN staff were transferred to RCAHMS. SCRAN Limited trading as RCAHMS Enterprises, operates commercial services for SCRAN and RCAHMS, and is a wholly owned subsidiary of SCRAN Trust. Legally and for audit purposes SCRAN Trust is wholly owned and controlled by RCAHMS, as Commissioners and RCAHMS staff are in the majority on its Board of Directors. Since 2008, Scran has received grants from Education Scotland (formerly Learning and Teaching Scotland) to pay for the licences for schools access, and from the Culture Department of Scottish Government. These grants will cease in October 2015 as Scran transfers its activities to HES.

RCAHMS works closely with Historic Scotland and with the Scottish Government Culture and Heritage Department (CHED) as its sponsor division in the Scottish Government.

Report of the Commissioners *(continued)*

Structure, governance and management *(continued)*

Related organisations *(continued)*

RCAHMS also works in partnership with a number of private and public organisations to support the delivery of its objectives.

Pensions

Employees of RCAHMS are members of the Principle Civil Service Pension scheme. Details of the scheme are set out in note 20.

Supplier payment policy

RCAHMS complies with the Confederation of British Industry's Prompt Payers Code where payment is made within 30 days of receipt of invoices. In addition, the First Minister told the Parliament in October 2008 that "this Government will aspire to the 10 day target of paying the bills of small business around Scotland." RCAHMS aspires to achieve this target. In 2014-15 99.5% of invoices for goods and services were paid within 30 days (2013-14 99.6%) and 87.91% were paid within 10 days of receipt (2013-14 84.82%).

Employment recruitment

Recruitment campaigns undertaken by RCAHMS were carried out on the basis of open and fair competition, selection on merit and in accordance with the guidance laid down by the Civil Service Commissioners.

Employees with disabilities

RCAHMS is committed to equality of opportunity for all its employees and recognises that people with disabilities have the same range of skills and qualities as non-disabled people. It is important that full advantage is taken of these skills so that every person is given the opportunity to make the fullest contribution in line with their abilities. Applications from people with disabilities for employment or promotion are given full and fair consideration. Where an employee becomes disabled, RCAHMS will re-train and re-deploy wherever applicable. The average number of self-declared disabled people employed in the year was 6 (6%).

Equal opportunities and diversity

RCAHMS is committed to equality of opportunity for all its employees and customers, and to treating every member of staff and every customer with dignity and respect. It is RCAHMS policy to ensure that all staff are able to work in an environment free from discrimination, harassment and bullying.

RCAHMS fully subscribes to the Government's Race Equality Scheme, Disability Scheme and the Gender Equality Scheme. As an organisation, we continue to develop structures and systems to ensure that equal opportunities become an integral part of our thinking and behaviour.

Sickness Absence

RCAHMS accepts that employees will be prevented from attending work due to illness or injury from time to time. Although RCAHMS recognises that employees need to be properly supported during absences, our priority is to meet our operational objectives. As a result, we take distinct steps to balance the needs of the individual with the needs of the organisation and to effectively manage sickness absence. To achieve this balance, we take a positive and pro-active approach to attendance management that includes:

- Providing advice to all employees and line managers on their roles and responsibilities;
- Monitoring and analysing absence and providing monthly management reports;
- Supporting employees with regular short term absence to improve their level of attendance; and
- Assisting employees on long term absence to return to work successfully through individually tailored return to work plans.

In 2014-15, an average of 6.04 (5.8 excluding leavers) days was lost per staff year (2013-14 6.39).

Report of the Commissioners *(continued)*

Employee consultation

RCAHMS is committed to effective employee communications, which it maintains through all staff notices, the staff intranet and briefing sessions. The Partnership Board provides the means for trade union representatives of staff and management to discuss matters of concern or mutual interest.

Objectives and activities

The mission of RCAHMS is to help people to value and enjoy their surroundings, to provide a world-class record of the historic and built environment to local, national and international audiences, as well as advancing understanding of the human influence on Scotland's places from earliest times to the present day. We achieve this through strategic field investigation, research and our dynamic national collection, which together provide a unique, authoritative and internationally important resource for the study and management of the historic and built environment.

RCAHMS

- Identifies, surveys and analyses the historic and built environment of Scotland.
- Preserves, cares for and adds to the information and items in its national collection.
- Promotes understanding, education and enjoyment through interpretation of the information it collects and the items it looks after.

Achievements and performance

RCAHMS achievements and performance for 2014-15 are structured in accordance with the organisation's four strategic objectives that are set out in its published 2010-2015 strategic plan, "*Future RCAHMS*".

1. Inspire learning and intellectual curiosity in our national culture and identity at home and worldwide.

The delivery of the Activity Plan for Britain from Above was completed in September 2014, with the project formally concluding in November 2014. The touring exhibition, which attracted 2,888 visitors, was displayed at Devil's Porridge Museum in Eastriggs, Dumfriesshire.

The full project evaluation was presented at the final Project Board in December 2014. The evaluation report concluded that the project achieved its aims to preserve the collection; open up the collection to deliver and make it accessible to everyone; develop relationships with existing audiences and increase their involvement; engage new audiences and communities with the collection; raise awareness of the work of English Heritage and the Royal Commissions; and create a legacy.

Over a four year period, the Activity Plan saw the delivery of 16 community projects, 7 exhibitions, 81 exhibition-related workshops, 92 virtual volunteering events, 8 careers events, 59 talks and presentations, and the book *Aerofilms – A History of Britain from Above*.

By the end of the project, the website had 40,000 registered users and 6,684 contributors who between them made 251,300 contributions.

In order to keep the community activity live the sales system was added to create a pool of finance to support ongoing development. This has been hugely successful, although it is anticipated that sales will slow over time. A small update was carried out with the changes and rebranding of English Heritage to Historic England. Plans are in place for two annual updates to content as partners update, amend or add new items.

The Heritage Lottery Fund (HLF) has given their formal approval for a two year extension to the grant expiry date for our Skills for the Future project. As many of our trainees have been successful in gaining employment before the end of their traineeships, we have been accumulating a significant underspend in the project budget. We will now use this underspend to provide another seven traineeships over the next two years, supported by a part-time project manager.

Report of the Commissioners *(continued)*

Achievements and performance *(continued)*

The Transcribe ScotlandsPlaces project met and exceeded all its targets in relation to the Heritage Lottery Fund grant award. Palaeography and transcription guidance was written for the individual record types and revised throughout the course of the project. The transcription community authored a series of Frequently Asked Questions and undertake the management of those in the forums. Volunteer input to the project continues to provide a valued contribution. The period of the HLF funded project harnessed 291 days of volunteer support, and this continues to increase.

Scotland's Urban Past (SUP) began in October 2014. This period has seen significant focus from the SUP team and specialist data and information systems colleagues on preparing the project website, the data inputting mechanism and the crowd-sourcing features. An evaluation plan has been prepared in conjunction with the external evaluation consultants, identifying quantitative and qualitative evaluation systems and indicators to measure the success of project activities. In addition the branding guidelines have been developed and a project logo has been finalised.

Three pilot projects from the 88 projects collated at consultation stage have been selected for development in advance of the official project launch in June: The Vennie Youth Project, Livingston; Friends of St. John's Tower, Ayr; and Tain and Easter Ross Civic Trust, Tain.

Training resources were prepared by the SUP team and trialled with the pilot groups. These comprise guidelines and activities in the fields of surveying and recording, historical-document research, oral-history recording, submitting data to the record and crowd-sourcing, project development and presentation, and CPD for teachers.

The team's secondary focus has been on the organisation of the official SUP launch, with its press event with the Cabinet Secretary for Culture, Europe and External Affairs on 5 June at the Vennie, and taster sessions for community groups on 6 June in Paisley.

An exhibition titled 'Falkirk Past and Present' opened to the public in June in an empty retail unit in the Howgate shopping centre in Falkirk and featured some 25 historic Aerofilms images of the town and environs from the RCAHMS Collection, along with exhibits from the local museum. It was a collaboration between Howgate shopping centre, Falkirk Community Trust, Falkirk Local History Society, RCAHMS and the Eden Consultancy Group and is an exciting way to showcase heritage and collections in a shopping centre. The exhibition ran for five weeks and attracted 7,500 visitors.

To celebrate the completion of the rebuilding of one of the last remaining pottery kilns in Scotland, RCAHMS curated an exhibition, in collaboration with the Portobello Heritage Trust, which was on display in the local library throughout May. The exhibition attracted 2,500 visitors. Portobello was once a major industrial centre for the large scale manufacture of pottery and two brick bottle-kilns are all that remain.

Work on the recreation of the tomb of Robert Bruce was completed in 2014. The exhibition opened in The Hunterian, Glasgow in the last week of June as part of the commemorations for Bannockburn and ran until the end of 2014. The team from RCAHMS, Historic Scotland, the Hunterian, the National Museums of Scotland, Glasgow School of Art, St Andrews and Aberdeen Universities worked to recreate the tomb from the 18 marble fragments that were known to have survived in museum collections, and were delighted when two other fragments were identified, in the wall of Dunfermline Church and at Abbotsford. All pieces were displayed for the first time in the exhibition alongside a remarkable visualisation created from the latest 3D technology. The exhibition attracted a total of 28,032 visitors.

After six and a half months, the exhibition "A Tale of Two Cities" closed at Nanjing Museum in May 2014, having welcomed a total of 1,197,352 visitors. In its final weekend it formed the focus in China for International Museum Day, and attracted 26,700 visitors. The partnership between RCAHMS and Nomad Exhibitions that delivered *A Tale of Two Cities* was presented with the Arts & Business Scotland International Award at an event in Glasgow in October 2014.

Report of the Commissioners *(continued)*

Achievements and performance *(continued)*

Two new books were published in this period – *Scotland's Landscapes* (paperback edition) and *A Work of Beauty: Alexander McCall Smith's Edinburgh* (October 2014). The latter was the first 'mass-market' book RCAHMS had released with an established (and in this case world-famous) external author, and it has been our fastest selling title to date. The first print run of 3,000 copies sold out within a week of publication. A second print run of 2,000 copies sold out through back-orders before it even arrived at our distributors at the start of December. The book was the 'No.1 Christmas Bestseller' in 'Scottish History' on Amazon, and was named and promoted as 'Edinburgh Book of the Year' by Waterstones. A third print run of 2,000 copies was released in February 2015. 1,200 copies of this have already sold, bringing total sales within the period to over 6,200.

Alexander McCall Smith undertook a large amount of enthusiastic PR around the book – including featuring on the front page of the Scotsman's Weekend magazine, and in a full page feature in the Sunday Times News Review – and promoted both the book and RCAHMS in newspaper and radio interviews. The book was also promoted in a launch event at the Queen's Hall in Edinburgh in December, with the author debuting songs he had written inspired by the images from the book, which were put to music by the composer Tom Cunningham.

Sales of the paperback editions of titles continued to be strong: *Scotland's Landscapes* has sold over 1,700 copies, *Above Scotland* 1,500 copies and *Wanderings with a Camera* 950 copies. In total in 2014-15, RCAHMS sold over 12,000 books for a turnover of £115,000.

Work continued on the shared service project to bring together aspects of the publishing arms of RCAHMS and Historic Scotland. The Publishing Forum has produced a Publishing Plan for HES, and in March 2015, a second joint publications catalogue for RCAHMS and HS books was completed for distribution to 2,800 retail contacts.

2. Continue to update our national collection through field investigation, research and selective collecting, and make RCAHMS the first port of call for information about Scotland's places.

The Commission was involved in two fieldwork projects in Strathearn, Perth and Kinross in 2014. In April, a partnership with Glasgow University's Strathearn Environs and Royal Forteviot (SERF) project saw the survey of three prehistoric forts, undertaken with the added intention of training two archaeology students from the university in survey techniques. In May, a partnership with the Tay Landscape Partnership (TLP) resulted in the survey of the large and complex fort on the summit of Moncreiffe Hill in advance of a programme of excavation there in 2015. In addition to creating excellent opportunities for skills-sharing and networking, the survey of these forts in Strathearn has greatly enhanced the existing record and has contributed to the growing body of knowledge that is rapidly altering our understanding of these monuments.

Two castle surveys at Turnberry, Ayrshire, and Tibbers, Dumfriesshire, were carried out during the year. The Castle Studies Trust and Historic Scotland-funded geophysical survey of Tibbers Castle was completed and the results have confirmed the surface indication of the ramparts and ditches of the two baileys, while revealing what appears to be an earlier ditch that does not show on the surface, as well as possible buildings in the inner of the two outer baileys. The second visit to Turnberry castle focused on a laser scan of the corbelled roof over the natural sea arch in order to assess its construction and how it relates to the building on top, and whether it might belong to an earlier construction. A broken arch which carried the wall of a large building, possibly the great hall, over a sea inlet, was recorded with EDM to determine if it was bridged with a gothic or round arch; current analysis suggest the latter.

The disastrous fire at Glasgow School of Art resulted in a rapid response by RCAHMS to photograph the building on both weekend days immediately after the blaze. These images, coupled with the very detailed record created as part of the 2003-04 Listed Buildings Recording Programme and update photography in 2011, will prove to be invaluable as the future for the building is considered. The new images were catalogued and available to view via Oracle, from June 2014.

Report of the Commissioners *(continued)*

Achievements and performance *(continued)*

It also proved possible to provide information directly from Canmore online to the team from Historic Scotland who were directing salvage operations on the ground, advising the fire service and Glasgow building Control. Conservation staff from RCAHMS provided advice and assistance, joining forces with the collections and conservation teams at Historic Scotland.

RCAHMS is delighted to be accredited by the umbrella body for the marine environment as the place of deposit for Scottish archaeological archives in the sector. MEDIN has established an operational network of linked marine data archive centres (DACs) to provide secure long-term storage for marine data. This network provides the capability to upload and retrieve data. Those organisations archiving data at a MEDIN DAC should have free access to their data, DACs will manage third party access to this data according to the data provider's specification. In addition MEDIN will, on request from the data provider, publish metadata records to data.gov.uk and hence INSPIRE. Historic Environment Data will be held in a federated approach (just like the data for Fisheries).

The Cairngorms Community Heritage Speyside project was drawn to a close in spring 2014, with fieldwork focused on mapping settlements along the route of the Military Road south-west of Ruthven Barracks to support a talk on the Military Roads in Badenoch and a guided walk along the same as part of Kingussie Walkfest. A local community initiative to include Lynchat souterrain in the Adopt-a-Monument scheme, run by Archaeology Scotland, was supported by a survey of the site by RCAHMS.

Fieldwork for the Connected with the Clyde Programme, formerly 'Source to Sea', got off the ground in October with the start of a programme of walking both banks of the River Clyde for the *Connected with the Clyde* project. This project, which will last about 9 months, is designed to assess the usefulness of the current database as a research tool by testing the quality of the individual records in the Canmore database for known sites along the river and by identifying the scale and character of previously unrecorded features. The Programme Board agreed that renaming the programme 'Discovering the Clyde' would improve its accessibility to some of the audiences we would like to reach.

The results of the last two years of Buildings at Risk Register (BARR) work were collated in order to return the bi-annual National Report to Historic Scotland and the National Indicator statistic for the Scotland Performs government performance framework. A-list BARR updates were prioritised for North Ayrshire, Inverclyde, Renfrewshire, East Renfrewshire and East Lothian so that the National Report was as current as possible. This report was sent to HS and the National Indicator has been updated on the Scotland Performs website.

The Ryder Cup in Scotland was celebrated by RCAHMS in a number of ways. The temporary buildings and displays in the commercial village set up for the tournament at Gleneagles in Perthshire were photographed prior to the start of the competition and the results were made available online immediately. Unrestricted access was arranged to the site with agreement from the European PGA Tour. Many other clubhouses and associated buildings around Scotland were photographed and there was extensive national and local media coverage of RCAHMS golf-related material, including BBC TV and radio, other radio stations and print media. A series of online image galleries and essays were also made available during this time. The focus on golf material also led to a Survey of Private Collections of photographs and drawings of the Merchants of Edinburgh Golf Club.

RCAHMS collection has continued to grow through a series of acquisitions. The Art Fund grant-aided the purchase of a design by David Rhind for the Commercial Bank on George Street, Edinburgh c. 1843. This drawing is an important addition to our 19th century architectural collections. Another interesting purchase was the acquisition of five early 20th century photograph albums compiled by the family who commissioned The Towans, a now demolished Arts and Crafts house in Prestwick which contain rare views of fishing huts and shooting bothies.

In addition further material has been acquired adding to existing collections of Wheeler and Sproson, Sir Frank Mears Associates Ltd and Alan Reich.

Report of the Commissioners *(continued)*

Achievements and performance *(continued)*

An interesting album of photographs of carved capitals in the Abbey Church, Iona and crosses was donated. The photographs were taken in 1956 on Iona by Nicholas Thomas whilst he was photographer for the Edinburgh University excavation led by his brother, Charles Thomas.

A range of research material has been donated from Fiona Jamieson relating to her work into Scottish designed landscapes. Research in the form of a collection of dissertations and building surveys compiled by students at the Department of Architecture, University of Strathclyde, 1960 to 2010 was also acquired.

In January 2015, negotiations led to the transfer of the Airbus, Getmapping, Bluesky and BGS collections of aerial photography to NCAP and their physical relocation to Iron Mountain storage facility. Central to discussions with these companies has been their wish that their air survey collections should remain intact and recognition of their continued business need to access photogrammetric digitization services, which can be provided by NCAP.

One of the exciting new acquisitions for RCAHMS was the purchase of a fine perspective drawing of Yorkhill House, Glasgow c.1805 by Peter Nicholson (1765-1844). The drawing complements two plans RCAHMS holds for the building which was demolished in the 20th century.

Archives from a number of excavations have been deposited: Sculptor's Cave, by Ian G Shepherd; Hirsell, Scottish Borders, by Professor Rosemary Cramp and C Douglas-Home, 1977-8; excavations at Auldhill, Portencross, by G J Ewart and D H Caldwell; as well as material from Headland Archaeology.

RCAHMS also expanded existing collections: the Dick, Peddie and McKay Collection and the Whytock and Reid Collection received additional material from their respective libraries; the Morris and Steedman Collection received models, the practice job book, press cuttings files and publications; the J A Carrick Collection received two drawings of The Winnocks, Ayr, 1930; Ian G Scott donated his drawings relating to carved stones at Orkney and Whithorn; and our collection of material relating to gravestones received slides of Scottish gravestones taken by Dr Islay M Donaldson.

Three acquisitions stand out as particularly exciting. RCAHMS successfully purchased a Sir William Arrol and Co Ltd Crane Catalogue of 1892. This is impressively illustrated with photographs and drawings of cranes, many of which have disappeared in recent years. We were also fortunate to attract the gift of a collection of material relating to Carron ironworks. This covers both industry and design and includes actual plaster casts and ornamental design samples. Finally, we received a donation of material relating to Rev Thomas Hannan - manuscripts, correspondence, newspaper cuttings, and photographs. These mostly relate to his research into Scottish country houses; however the photographs include views of him as an army chaplain during the First World War.

In 2014-15, Collections staff created 127,794 new and updated catalogue entries and accessioned 161,162 files. There were 1,366 visitors to the search room (160 to consult aerial collections) during the year.

3. Widen digital access to information on Scotland's places, making it more interactive and an integral part of the burgeoning world-wide network of cultural heritage data.

Steady progress is being made on a number of digital fronts within Survey and Recording, including the consolidation of SURE partners and the addition of much-requested new layers on PastMap. RCAHMS staff also played a key leadership role in implementing the SHED (Scotland's Historic Environment Data) strategy.

ScotlandsPlaces users now have access to OS Name Book records and hearth and servant tax rolls. Subscription numbers are well ahead of estimates. Over 3,645 transcribers have registered with the project to date. Of those, 242 were drawn from the workshops, and the rest from social media, contact with the project at talks or conferences, conventional media and word of mouth. Over half of the pages available for transcription have been started. The target of 10 workshops was exceeded, with 45 workshops and talks being given in total. An exhibition of the work of ScotlandsPlaces, including Transcribe ScotlandsPlaces, was on show for four weeks in July 2014 at the National Records of Scotland with an accompanying booklet.

Report of the Commissioners *(continued)*

Achievements and performance *(continued)*

Institutional subscriptions are now available; subscribers include Glasgow University Library, Scottish Borders Council, New England Historic Genealogical Society, Scottish Borders Council Archaeology Service, South Ayrshire Archives, East Renfrewshire Local Studies, Genealogical Society of Queensland, Western Australia Genealogical Society and *Ainmean-Àite na h-Alba*. Subscribers are processed through our existing shop facilities and customer support is provided by the Enterprises Team.

Following on from the WW1 data upgrade, project work has commenced on ensuring that basic data on war memorials is contained within Canmore. This work was completed at the end of June at which point some 3000 war memorials covering all periods will have been added to Canmore.

The online services provided by RCAHMS are used by a wide range of professional, academic and personal users from all over the world. The international profile of those users varies for each service, but all show significant numbers of visits from the United States, Canada, Australia and Germany.

Digitization of the collections has continued and 109,416 additional images were made available to our users through Canmore and the NCAP website. We have completed digitization of all former publications and these are now available in Canmore. Digitised versions of our Inventories will initially be available in Readers on ScotlandsPlaces and in the new Canmore.

Following contract negotiations, scrutiny of the project and its costs by our sponsoring department, and having taken legal advice, the procurement for preservation software was concluded at the end of January 2015, when the contract with Preservica was signed. This is a major step forward for RCAHMS as we work to ensure the long term preservation of digital archives and the attainment of Trusted Digital Repository status.

4. Achieve further efficiency, effectiveness and sustainability in the use of government resources, and build on our capacity to generate nongovernment income.

RCAHMS was able to achieve savings of £47,298.90 in 2014-15 (2013-14 £29,349.69) through the use of Scottish Government negotiated contracts.

RCAHMS continually seeks to improve its environmental performance by regularly monitoring and controlling its gas and electricity consumption to minimise greenhouse gas emissions; by endeavoring to reduce paper consumption; by encouraging staff to re-cycle and reduce the amount of waste sent to landfill; and by encouraging staff to adopt more sustainable modes of transport, such as cycle to work, use of public transport, car sharing and the provision of bus tickets for local business travel. A waste analysis recently carried out by our waste management company showed that 72.7% (2013-14 67%) of all waste created by RCAHMS in the past year was sent for recycling, with 27.3% (2013-14 33%) to landfill.

RCAHMS also strives to improve the health, safety and wellbeing of members of staff in the workplace. Since the creation of a single body from the functions of RCAHMS and Historic Scotland was first announced, colleagues of both organisations have been reviewing efficiencies which can be achieved through use of shared services (e.g. shared training) prior to the actual vesting date of the new body.

Financial review

The major funding of RCAHMS comes directly from the Scottish Government. During the year total incoming resources amounted to £6,157,024 (2013-14:£6,220,413). Of this £4,973,962 (2013-14:£4,971,929) was received in grants in order to further the objectives of the charity. Of this 86% (2013-14: 82%) was received from the Scottish Government. At the year end, a deficit in the unrestricted fund of £250,076 was recognised and there was a surplus of £5,524 in the restricted fund. The closing asset and fund positions are shown on page 23 and main sources of income and expenditure are detailed on page 21. Results for the group are set out in the consolidated statement of financial activities on page 20 and in the consolidated balance sheet on page 22.

Report of the Commissioners (continued)

Going concern

RCAHMS budget allocation from Scottish Government for 2015-16 was the subject of separate discussions in light of legislation from Parliament to create the new public body, Historic Environment Scotland, comprising all of RCAHMS present staff, assets and functions, on 1 October 2015. On 1 October 2015, the functions of RCAHMS and Historic Scotland will come together to form one organisation, Historic Environment Scotland, RCAHMS will be dissolved and Commissioners will relinquish their positions. Funding has been secured from Scottish Government for the period to 31 March 2016 and grant awards already made by HLF will transfer to HES. Together these are sufficient to ensure we can carry on our activities for the next 12 months.

Future plans

In July 2012, the Cabinet Secretary for Culture, External Affairs and the Constitution announced plans to combine the functions of RCAHMS and Historic Scotland in the creation of a new body. The new organisation, Historic Environment Scotland (HES), will be a Non-Departmental Public Body (NDPB). Charitable status for HES has been conferred by the Office of the Scottish Charities Regulator and HES will take up its full powers on 1st October 2015. However a considerable amount of time has already been spent by colleagues from both organisations in planning the transition of functions and in identifying areas where joint efficiencies can be made prior to the vesting date.

The joint CEOs have developed a forward plan for 2015-16 with finance staff. This will be a complex year as RCAHMS and HS will continue to operate separate budgets which will combine in October 2015. The status of the organisation will potentially change mid-year with different accounting requirements relating to the preferred business model, when that is decided, and to charitable status. Looking further ahead, the corporate plan for 2016-19 will require an accompanying financial plan.

Two bids have been submitted to the Culture and Heritage Department for the Spending Review 2015/16. A Strategic Investment plan was developed at the request of the Cabinet Secretary which analysed the investment required to sustain and develop the estate, the IT infrastructure and the digital resource over the next 20 years. A separate bid was submitted jointly with the National Galleries of Scotland, as requested by the Cabinet Secretary, for a joint facility at Granton, adjacent to the National Museums of Scotland facility, that will accommodate RCAHMS and some of HES collections and provide conservation services and public access.

Nanjing Museum have agreed to support the touring exhibition *Romantic Scotland – Castles, Land and Sea* – a partnership between RCAHMS, Nomad Exhibitions, National Galleries of Scotland, Historic Scotland and Nanjing Museum. The exhibition will comprise paintings from the Scottish National Gallery, historic photography and contemporary aerial photography from RCAHMS, and objects from the HS Collections. The exhibition will open in Nanjing in December 2016. A related research project is being developed with the Arts and Humanities Research Council.

Work has continued on the development of a partnership project with The National Archives and Records Administration of America (NARA) to digitise and make available historic aerial photography. Meetings have also been held with NARA and the US National Holocaust Museum to scope potential future joint working.

Reserves policy

RCAHMS reserves are restricted to fixed assets, stock and adjustments for year-end accruals.

The SCRAN Trust reserves policy is as follows:

“It is the intention of the charity to build up unrestricted funds, which are the free reserves of the charity, to a level which can provide the charity with working capital in excess of £500,000 to cover the costs of operations for six months.”

Report of the Commissioners *(continued)*

Risk Policy

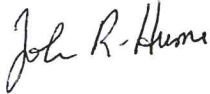
All bodies subject to the requirements of the Scottish Public Finance Manual (SPFM) (<http://www.scotland.gov.uk/Topics/Government/Finance/spfm/Intro>) must operate a risk management strategy in accordance with guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM. Risk Management is an integral part of RCAHMS corporate governance arrangements and is built into the management processes as part of the overall framework of business planning and decision-making. Commissioners take ultimate responsibility for the system of internal control, including overseeing the effective management of risk by RCAHMS management. The Commissioners have examined the major strategic, business and operational risks that the organisation faces, including the risks associated with the merger, and confirm that robust methods are in place to monitor, manage and mitigate risk.

The major risks are in respect of funding and accommodation and the approach to managing these risks is set out in plans for future periods.

Taxation

The Commission is a charity and is recognised as such by HMRC for taxation purposes. As a result there is no liability to taxation on any of its income.

Approved by Commissioners on 28 August 2015 and signed on its behalf by:



Professor John R Hume OBE, BSc, ARCST, Hon FRIAS, Hon FRSGS, FSA Scot
Chairman

Remuneration report

Part 1: Unaudited Information

Remuneration Policy

The remuneration for senior managers is based on Royal Commission on the Ancient and Historical Monuments of Scotland's (RCAHMS) pay policy as approved by Scottish Government. There are separate pay negotiations with the Scottish Government for the remuneration of the Chief Executive and the Chair of the Commissioners is responsible for agreeing and signing off the Chief Executive's salary.

Senior Managers performance is assessed through the RCAHMS' performance management system, which is used for all staff. There is no bonus system in place for any member of the senior management team, including the Chief Executive.

The majority of staff are employed on permanent contracts. Some staff working on discrete short term projects are employed on contracts which match the duration of the projects concerned. All staff are entitled to join the Principal Civil Service Pension Scheme, a defined benefits scheme. The notice periods and termination payments are in line with Scottish Government guidelines. All senior managers in post during the year were employed on permanent contracts.

Part 2: Audited Information

Salaries

Salary and pension entitlements of the RCAHMS' Senior Management Team members were as follows:

	Salary		Pension Benefits (to nearest £1000)		Total	
	14/15 £'000	13/14 £'000	14/15 £'000	13/14 £'000	14/15 £'000	13/14 £'000
Diana Murray <i>Chief Executive</i>	65-70	60-65	32	30	95-100	90-95
Rebecca Bailey <i>Head of Education and Outreach</i>	50-55	50-55	15	14	65-70	60-65
Lesley Ferguson <i>Head of Collections</i>	50-55	50-55	23	22	70-75	70-75
Adam Jackson <i>Head of Corporate Affairs</i>	45-50	45-50	9	8	55-60	55-60
Jo McCoy <i>Head of Information Systems</i>	45-50 (full year equivalent 50-55)	40-45 (full year equivalent 50-55)	12	12	55-60 (full year equivalent 60-65)	50-55 (full year equivalent 60-65)
Graham Turnbull <i>Head of RCAHMS Enterprises</i>	50-55	50-55	9	7	55-60	55-60
Robin Turner <i>Head of Survey and Recording</i>	50-55	50-55	32	30	80-85	80-85

(1) Salaries in the above table are the amount earned in the financial year. No bonuses or benefits in kind were received by the RCAHMS senior management team during the year.

Pay Median

Reporting bodies are now required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

Remuneration Report *(continued)*

Part 2: Audited Information *(continued)*

Pay Median *(continued)*

The banded remuneration of the highest paid SMT member in Royal Commission on the Ancient and Historical Monuments of Scotland in the financial year 2014-15 was £65-70k (2013-14 £60-65k). This was 2.40 times (2013-14 2.43) the median remuneration of the workforce, which was £27,431 (2013-14 £26,601).

Remuneration Report *(continued)*

In 2014-15, nil (2013-14, nil) employees received remuneration in excess of the highest-paid SMT member. Remuneration ranged from £16,365 for our Trainee grades to £66,000 for the CEO (2013-14 £15,620 to £65,000).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The change in the ratio is due to the pay award.

Pension Entitlements

	Accrued pension at age as at 31 March 2015 £'000	Accrued lump sum at pension age as at 31 March 2015 £'000	Real increase in pension £'000	Real increase in lump sum £'000	CETV at 31 March 2015 £'000	CETV at 31 March 2014 £'000	Real increase in CETV £'000
Diana Murray Chief Executive	30-35	90-95	0-2.5	0-2.5	696	683	12
Rebecca Bailey Head of Education and Outreach	10-15	10-15	0-2.5	0-2.5	193	213	9
Lesley Ferguson Head of Collections	20-25	35-40	0-2.5	0-2.5	402	372	12
Adam Jackson Head of Corporate Affairs	5-10	-	0-2.5	-	118	99	12
Jo McCoy Head of Information Services	10-15	-	0-2.5	-	149	135	4
Graham Turnbull Head of RCAHMS Enterprises	5-10	-	0-2.5	-	128	105	13
Robin Turner Head of Survey and Recording	30-35	-	0-2.5	-	470	422	22

Remuneration Report (continued)

Pension Entitlements (continued)

- (1) Details of pensions and CETVs are disclosed based on information provided by the Department for Work and Pensions
- (2) Senior Management Team members with no lump sums are in pension schemes which do not provide a lump sum on retirement
- (3) No contributions were made to Partnership Pension accounts on behalf of any members of the Senior Management Team
- (4) The CETV figure for 31.03.14 may have changed from the corresponding figure reported last year. The difference is as a result of inflation adjustments in last year's balances that should not have been included.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 1.5% and 6.85% of pensionable earnings for classic and 3.5% and 8.85% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pension Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice/pensionscheme.org.uk>

New Career Average pension arrangements will be introduced from 1st April 2015 and the majority of classic, premium, classic plus and nuvos members will join the new scheme.

Further details of this new scheme are available at <http://www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/>

Remuneration Report (continued)

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



Diana Murray
Chief Executive

28 August 2015

Statement of Commissioners' Responsibilities

The Commissioners (who are the trustees of RCAHMS for the purposes of charity law) are responsible for preparing the Report of the Commissioners and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Commissioners to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Commission and of the incoming resources and application of resources of the charity for that period. In preparing these, the Commissioners are required to:

- select suitable accounting policies;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Commission will continue to operate.

The Commissioners are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Commission and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Commission and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as each of the Commissioners are aware:

- there is no relevant information of which the charity's auditors are unaware; and
- the Commissioners have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

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

Governance report

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives set by the Scottish Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I ensure also that arrangements for delegation are robust and promote good management supported by staff with an appropriate balance of skills. I ensure also that proper management systems and procedures are in place to support service delivery.

The Scottish Public Finance Manual (SPFM) is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling of public funds. It is mainly designed to ensure compliance with statutory and parliamentary requirements, promote value for money and high standards of propriety, and secure effective accountability and sound systems of internal control.

RCAHMS publishes online reports on expenditure in accordance with the requirements of Section 31 of the Public services Reform (Scotland) Act.

Purpose of the System of Internal Control

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the organisation's policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify the principal risks to the achievement of the organisation's policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

A recently completed Internal Audit has shown that the processes within the organisation for the year ended 31 March 2015 did not accord with the SPFM.

Risk and Control Framework

All bodies subject to the requirements of the SPFM must operate a risk management strategy in accordance with relevant guidance issued by the Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

RCAHMS Senior management Team review the risk register every quarter and RCAHMS Finance and Risk Audit Committee (FRAC) reviews the Risk Register formally every six months. Control mechanisms to minimise or mitigate risks are identified and reviewed for effectiveness, and ownership of risk is assigned to relevant members of the senior management team. The FRAC comprises three Commissioners/Trustees and an independent member from outside the organisation. The FRAC reports to RCAHMS Corporate Affairs Programme Committee and the full Board of Commissioners/Trustees every six months.

More generally, the organisation is committed to a process of continuous development and improvement: developing systems in response to any relevant reviews and developments in best practice in this area.

In terms of data handling, the only sensitive data we process and share is in relation to staff payroll, which is transferred externally to our payroll provider. The personal data of our staff is held in our HR system, which is managed by the shared RCAHMS/ Historic Scotland Human Resources team. We never share or transfer that data to another organisation, unless done so under contracted service, and that data belongs solely to RCAHMS.

Governance report (continued)

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- The Senior and Operational Managers within the organisation who have responsibility for the development and maintenance of the internal control framework;
- The comments made by internal and external auditors, who submit their reports to RCAHMS Finance and Risk Audit Committee (FRAC)

I shall ensure that there is continuous review of internal systems through the internal audit process and, when required, that recommendations for improvement are taken into account. The FRAC is responsible for setting the annual internal and risk audit programme, identifying specific areas for systems audit and risk evaluation. The Finance and Risk Audit Committee and senior management team review all internal and external audit reports and are responsible for ensuring the implementation of any necessary adjustments.

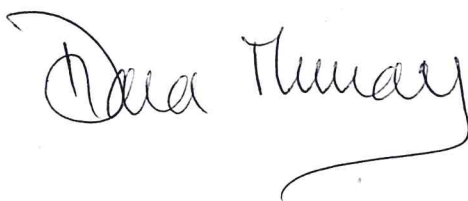
Following review of internal systems in 2014 – 2015 I would like to draw your attention to the following matters:

- An Internal Audit, commissioned by the FRAC into RCAHMS Procurement and Financial Controls was carried out for the year ended 31 March 2015. Commissioners and I, as Accountable Officer, have accepted the internal auditor's recommendations in full and approved an action plan to address the issues. A number of the actions, including those deemed most critical, have already been completed, others are well advanced, and we are committed to completing the actions by 30 September 2015. The auditors were clear that they found no evidence of fraud and reported no issues with regard to developing and monitoring budgets and no significant concerns over contract management processes. This has been confirmed during the external audit process. The FRAC will continue to review progress in implementing the action plan.
- The long term stewardship, management and care of the dynamic national collection is paramount to RCAHMS. Our highest risks include
 - current storage facilities are insufficient and inadequate resulting in items being stored in inappropriate conditions. Subject to funding, the proposed creation of a new centre for the care and study of collections at Granton is intended to transform the ways in which we care for and provide access to Collections. Scottish Government has already acquired land at this location.
 - Digital archives are vulnerable to rapid decay and format obsolescence. Although digital preservation systems are currently being installed at RCAHMS, the very limited specialist staffing resource available is currently unable to address the 28Tbs of backlog data are waiting to be processed
 - The dynamic national collection relies on the efficient flow of accurate and updated information from prospective aerial and field survey in particular. This is a key requirement of stakeholders and they have been concerned that the database is in need of upgrading. Funding for the project work required to do this (CORPUS) was cut in 2014 and has not been re-instated

Under the provisions of the Historic Environment Scotland Act 2014 RCAHMS staff, assets and undertakings will be transferred to Historic Environment Scotland (HES) on 1 October 2015 and RCAHMS will be dissolved.

Diana Murray
Accountable Officer

28 August 2015



HENDERSON LOGGIE

Chartered Accountants

34 Melville Street
Edinburgh
EH3 7HA

Independent auditor's report to the Commissioners of The Royal Commission on the Ancient and Historical Monuments of Scotland, the Auditor General for Scotland and the Scottish Parliament

We have audited the financial statements of The Royal Commission on the Ancient and Historical Monuments of Scotland for the year ended 31 March 2015 under the Public Finance and Accountability (Scotland) Act 2000 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the group and charity statement of financial activities, the group and charity balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 125 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of Commissioners and auditors

As explained more fully in the Statement of Commissioners' Responsibilities, the Commissioners are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and are also responsible for ensuring the regularity of expenditure and income. 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) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require us to comply with the Auditing Practice's Board (APB's) Ethical Standards for Auditors. We are also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Scope of the audit of the financial statements

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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimate made by the Commissioners; and the overall presentation of the financial statements. It also involves obtaining evidence about the regulatory of expenditure and income. In addition, we read all the financial and non-financial information in the Report of the Commissioners 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.

Independent auditor's report to the Commissioners of The Royal Commission on the Ancient and Historical Monuments of Scotland, the Auditor General for Scotland and the Scottish Parliament *(continued)*

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the group's and the Commission's affairs as at 31 March 2015 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 properly prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Opinion on other prescribed matters

In our opinion:

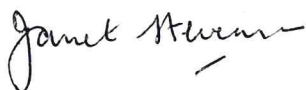
- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Commissioners' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We are required by the Charities Accounts (Scotland) Regulations 2006 (as amended) to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- the Governance Statement does not comply with guidance from the Scottish Ministers.

We have nothing to report in respect of these matters.



28 August 2015

Janet Stevenson

(for and on behalf of Henderson Loggie)

34 Melville Street, Edinburgh EH3 7HA

eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities
 for the year ended 31 March 2015

	Notes	Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Investment income		8,048	-	8,048	10,430
<i>Incoming resources from charitable activities</i>	3	5,520,774	790,142	6,310,916	6,434,175
Other incoming resources	4	66,620	-	66,620	104,022
		<u>5,595,442</u>	<u>790,142</u>	<u>6,385,584</u>	<u>6,548,627</u>
Resources expended					
Charitable activities	5	(5,736,534)	(810,172)	(6,546,706)	(6,578,229)
Donation to Historic Scotland Foundation	21	(1,100,000)	-	(1,100,000)	-
Governance costs	7	(49,410)	-	(49,410)	(22,051)
		<u>(6,885,944)</u>	<u>(810,172)</u>	<u>(7,696,116)</u>	<u>(6,600,280)</u>
Net incoming/(outgoing) resources before transfers		<u>(1,290,502)</u>	<u>(20,030)</u>	<u>(1,310,532)</u>	<u>(51,653)</u>
Transfers between funds	16	(25,554)	25,554	-	-
Net incoming/(outgoing) resources after transfers		<u>(1,316,056)</u>	<u>5,524</u>	<u>(1,310,532)</u>	<u>(51,653)</u>
Fund balances at 1 April 2014	16	2,365,057	745	2,365,802	2,417,455
Fund balances at 31 March 2015	16	<u>1,049,001</u>	<u>6,269</u>	<u>1,055,270</u>	<u>2,365,802</u>

All results of the group relate to continuing activities.

The group has no recognised gains or losses other than as noted in the results above therefore no separate statement of recognised gains and losses has been prepared.

The notes on pages 25 to 38 form part of these financial statements

Commission statement of financial activities
 for the year ended 31 March 2015

	Note	Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	818,981	-	818,981	821,050
Incoming resources from charitable activities	3	4,286,281	985,142	5,271,423	5,295,341
Other incoming resources	4	66,620	-	66,620	104,022
Total incoming resources		5,171,882	985,142	6,157,024	6,220,413
Resources expended					
Charitable activities	5	(5,396,712)	(979,569)	(6,376,281)	(6,323,573)
Governance costs	7	(25,246)	-	(25,246)	(10,308)
Total resources expended		(5,421,958)	(979,569)	(6,401,527)	(6,333,881)
Net incoming/(outgoing) resources before transfers		(250,076)	5,573	(244,503)	(113,468)
Transfers between funds	16	49	(49)	-	-
Net incoming/(outgoing) resources after transfers		(250,027)	5,524	(244,503)	(113,468)
Fund balances at 1 April 2014	16	864,573	745	865,318	978,786
Fund balances at 31 March 2015	16	614,546	6,269	620,815	865,318

All results of the Commission relate to continuing activities.

The Commission has no recognised gains or losses other than as noted in the results above therefore no separate statement of recognised gains and losses has been prepared.

The notes on pages 25 to 38 form part of these financial statements.

Consolidated balance sheet
at 31 March 2015

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Intangible fixed assets	10		60,872		68,403
Tangible fixed assets	11		752,702		913,986
			<hr/>		<hr/>
			813,574		982,389
Current assets					
Stock		18,881		44,116	
Debtors	13	545,202		418,002	
Cash at bank and in hand		749,985		1,791,103	
		<hr/>		<hr/>	
		1,314,068		2,253,221	
Creditors: amounts falling due within one year	14a	(564,877)		(331,529)	
		<hr/>		<hr/>	
Net current assets			749,191		1,921,692
			<hr/>		<hr/>
Total assets less current liabilities			1,562,765		2,904,081
Creditors: amounts falling due after one year	14b		(4,850)		(14,613)
Provisions for liabilities and charges	15		(502,645)		(523,666)
			<hr/>		<hr/>
Net assets			1,055,270		2,365,802
			<hr/> <hr/>		<hr/> <hr/>
Funds					
Restricted	16		6,269		745
Unrestricted	16		1,049,001		2,365,057
			<hr/>		<hr/>
			1,055,270		2,365,802
			<hr/> <hr/>		<hr/> <hr/>

These financial statements were approved by the Commissioners on 28 August 2015.

Professor John R Hume OBE, BSc, ARCST, Hon FRIAS, FSA Scot
 Chairman



The notes on pages 25 to 38 form part of these financial statements

Commission balance sheet
at 31 March 2015

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible fixed assets	11		725,298		859,179
Investments	12		-		-
			<hr/>		<hr/>
			725,298		859,179
Current assets					
Debtors	13	793,491		713,121	
Cash at bank and in hand		46,087		42,361	
		<hr/>		<hr/>	
		839,578		755,482	
Creditors: amounts falling due within one year	14a	(438,828)		(212,850)	
		<hr/>		<hr/>	
Net current assets			400,750		542,632
			<hr/>		<hr/>
Total assets less current liabilities			1,126,048		1,401,811
Creditors: amounts falling due after > 1 year	14b		(2,588)		(12,827)
Provision for dilapidations	15		(502,645)		(523,666)
			<hr/>		<hr/>
Net assets			620,815		865,318
			<hr/> <hr/>		<hr/> <hr/>
Funds					
Restricted	16		6,269		745
Unrestricted	16		614,546		864,573
			<hr/>		<hr/>
			620,815		865,318
			<hr/> <hr/>		<hr/> <hr/>

These financial statements were approved by the Commissioners on 28 August 2015.

Professor John R Hume OBE, BSc, ARCST, Hon FRIAS, FSA Scot
 Chairman



The notes on pages 25 to 38 form part of these financial statements

Consolidated cash flow statement
at 31 March 2015

	Notes	2015 £	2014 £
Net cash (outflow)/inflow from operating activities	A	(910,415)	304,492
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	11	(139,551)	(207,998)
Payments to acquire intangible fixed assets	10	-	(75,306)
Returns on investments and servicing of finance		8,048	10,430
Proceeds on sale of fixed assets		800	6,150
		<hr/>	<hr/>
(Decrease)/increase in cash	B	(1,041,118)	37,768
		<hr/> <hr/>	<hr/> <hr/>

A Net cash inflow from operating activities

	2015 £	2014 £
Net (outgoing) resources	(1,310,533)	(51,653)
Bank interest receivable	(8,048)	(10,430)
Depreciation	300,780	304,042
Amortisation	7,531	6,903
(Gain)/loss on disposal of fixed assets	(745)	(2,122)
(Increase)/decrease in debtors	(127,200)	(1,631)
Increase in creditors	202,565	86,408
(Increase)/decrease in stock	25,235	(27,025)
	<hr/>	<hr/>
Net cash inflow from operating activities	(910,415)	304,492
	<hr/> <hr/>	<hr/> <hr/>

B Analysis of changes in cash during the year

	2015 £	2014 £
Balance at the beginning of the year	1,791,103	1,753,335
Balance at the end of the year	(749,985)	1,791,103
	<hr/>	<hr/>
Net cash (outflow)/inflow	(1,041,118)	37,768
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

The Board considers it is appropriate to prepare the financial statements on a going concern basis. Although plans for the creation of a new organisation from the functions of RCAHMS and Historic Scotland are currently ongoing, the activities currently undertaken by RCAHMS will continue within the new body, Historic Environment Scotland. The Scottish Government has provided both parties with indicative funding for 2015/16 when the two come together.

Basis of consolidation

The consolidated financial statements include the financial statements of the charity and its subsidiary undertakings made up to 31 March 2015, using merger accounting principles.

Incoming resources

Incoming resources are credited to the Statement of Financial Activities (SoFA) when they are quantifiable, the charity is entitled to them and there is reasonable certainty of receipt.

Resources expended

Expenditure is recognised when a legal or constructive liability arises. Where possible, expenditure has been charged direct to charitable expenditure or governance costs. Charitable expenditure comprises those direct costs incurred by the charity in the delivery of its activities and services plus an allocation of support costs. Support costs all allocated to charitable activities on the basis on direct staff costs incurred on each of the projects.

These are charged to the income and expenditure account in the year which they are incurred.

Intangible fixed assets

The intangible fixed assets represent the rights acquired to make cultural assets available for public access. The costs are amortised by reference to the income arising from the utilisation of the assets over a ten year period.

Tangible fixed assets

Fixed assets costing over set levels are included in the balance sheet at cost. These levels are £25,000 for computers and software and £5,000 of all other classes of fixed asset. Depreciation is provided on all fixed assets in the year which the fixed assets are purchased. The rates of depreciation are calculated so as to write off the costs of each asset evenly over its expected useful life as follows:

Motor vehicles	5 years
Computers and software	3-5 years
Plant and machinery	5-10 years
Office computer equipment	on acquisition
Tenants' improvements	30 years

Notes (continued)

1 Accounting policies (continued)

Leasing

Assets held under finance leases are capitalised in the balance sheet and are depreciated over their estimate useful lives. The interest element of the rental obligations is charged to the SoFA over the period of the lease. Rentals under operating leases are included in the Statement of Financial Activities.

Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

VAT

The group is registered for VAT. Much of the income is either exempt or outwith the scope of VAT. Consequently, it is not possible to recover all the VAT paid on expenditure. Any input VAT recovered is included within other incoming resources in the year to which it relates.

Deferred income

Licence fee income is initially deferred in the balance sheet and then released to the income and expenditure account in line with the group's entitlement to the income.

Funds

Unrestricted funds are available for use at the discretion of the Commissioners in furtherance of the general objectives of the Commission. Designated funds comprise unrestricted funds that have been set aside by Commissioners for a particular purpose.

Restricted funds are funds subject to restrictions imposed by the donor.

The transfers between the funds represent the contribution made to the Fund from RCAHMS general reserve.

2 Voluntary income

	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
<i>Commission</i>	£	£	£	£
Management charges	818,981	-	818,981	821,050

Notes (continued)

3 Incoming resources from charitable activities

<i>Group</i>	Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
<i>Grants</i>				
Scottish Government	4,183,820	118,180	4,302,000	4,285,000
Learning Teaching Scotland	190,000	-	190,000	190,000
Heritage Lottery Fund	-	295,124	295,124	267,461
Historic Scotland	-	242,026	242,026	312,882
National Libraries	-	15,331	15,331	21,000
National Archives of Scotland	-	15,331	15,331	21,000
Forestry Commission	-	5,000	5,000	46,000
University of Leeds	-	535	535	3,051
EU Funding	-	4,205	4,205	-
IFA	-	-	-	25,800
Societies of Antiquaries of Scotland	-	2,000	2,000	-
English Heritage	-	61,632	61,632	83,228
Cairngorms National Park	-	5,000	5,000	15,000
Glasgow of AA	-	4,114	4,114	36,000
NERC – Median	-	4,759	4,759	-
National Trust	-	2,000	2,000	-
Castle Studies Trust	-	4,183	4,183	-
Creative Scotland	-	3,500	3,500	66,500
Other smaller grants	-	7,222	7,222	8,024
Total grant income	4,373,820	790,142	5,163,962	5,380,946
Licence fee income	96,939	-	96,939	121,129
Reproduction of merchandise	727,940	-	727,940	597,400
Consultancy income	322,075	-	322,075	334,700
	5,520,774	790,142	6,310,916	6,434,175

Notes (continued)

3 Incoming resources from charitable activities (continued)

<i>Commission</i>	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
	£	£	£	£
<i>Grants</i>				
Scottish Government	3,988,820	313,180	4,302,000	4,085,000
Heritage Lottery Fund	-	295,124	295,124	267,461
Historic Scotland	-	242,026	242,026	312,882
National Libraries	-	15,331	15,331	21,000
National Archives of Scotland	-	15,331	15,331	21,000
Forestry Commission	-	5,000	5,000	46,000
University of Leeds	-	535	535	3,051
IFA	-	-	-	25,800
EU funding	-	4,205	4,205	-
Societies of Antiquaries of Scotland	-	2,000	2,000	-
English Heritage	-	61,632	61,632	83,228
Cairngorms National park	-	5,000	5,000	15,000
Glasgow of AA	-	4,114	4,114	-
SCRAN Trust	-	-	-	16,983
NERC – Median	-	4,759	4,759	-
National Trust	-	2,000	2,000	-
Castle Studies Trust	-	4,183	4,183	-
Other smaller grants	-	7,222	7,222	8,024
Creative Scotland	-	3,500	3,500	66,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total grant income	3,988,820	985,142	4,973,962	4,971,929
Consultancy income	294,303	-	294,203	319,426
Licence fee income – Scotland's Places	3,158	-	3,158	3,986
	<hr/>	<hr/>	<hr/>	<hr/>
	4,286,281	985,142	5,271,423	5,295,341
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4 Other incoming resources

	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
	£	£	£	£
<i>Other incoming resources – Group and Commission</i>				
Reclaimed input VAT	65,280	-	65,280	87,164
Other miscellaneous income	1,340	-	1,340	16,858
	<hr/>	<hr/>	<hr/>	<hr/>
	66,620	-	66,620	104,022
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

5 Charitable expenditure

Group	Surveying & Recording	Education & Outreach	Collections	2015 Total	2014 Total
	£	£	£	£	£
Direct salaries	1,509,400	835,283	1,172,459	3,517,142	3,368,421
Direct costs	253,183	185,387	341,830	780,400	850,887
Support costs (note 6)	911,033	630,466	707,665	2,249,164	2,358,921
	<u>2,673,616</u>	<u>1,651,136</u>	<u>2,221,954</u>	<u>6,546,706</u>	<u>6,578,229</u>

Commission	Surveying & Recording	Education & Outreach	Collections	2015 Total	2014 Total
	£	£	£	£	£
Direct salaries	1,509,400	835,283	1,172,458	3,517,141	3,368,421
Direct costs	253,183	315,427	341,830	910,440	696,521
Support costs (note 6)	836,295	462,795	649,610	1,948,700	2,258,631
	<u>2,598,878</u>	<u>1,613,505</u>	<u>2,163,898</u>	<u>6,376,281</u>	<u>6,323,573</u>

6 Support costs

	Group		Commission	
	2015 £	2014 £	2015 £	2014 £
Staff costs	709,388	716,156	709,388	716,156
Strategic management	23,780	81,864	23,780	81,864
Administration and finance	539,487	594,307	413,176	494,017
ICT	205,018	150,496	205,018	150,496
Accommodation	771,491	816,098	597,338	816,098
	<u>2,249,164</u>	<u>2,358,921</u>	<u>1,948,700</u>	<u>2,258,631</u>

7 Governance costs

	Group		Commission	
	2015 £	2014 £	2015 £	2014 £
Audit fee	18,496	17,365	10,407	10,014
Professional fees	30,914	4,686	14,839	294
	<u>49,410</u>	<u>22,051</u>	<u>25,246</u>	<u>10,308</u>

Notes (continued)

8 Staff numbers and costs

	2015 £	2014 £
Gross salaries	3,363,497	3,280,370
Social security costs	250,502	246,351
Pension costs	612,530	557,856
	<hr/>	<hr/>
Total direct staff costs	4,226,529	4,084,577
Early retirement costs	6,734	89,368
Agency costs	204,150	101,294
	<hr/>	<hr/>
Total staff costs	4,437,413	4,275,239
	<hr/> <hr/>	<hr/> <hr/>

The number of employees whose emoluments for the year exceeded £60,000 is as follows:

£60,000 - £69,999 1 (2014: 1)

Pension contributions are accruing under defined benefit pension scheme for this employee.

The average monthly number of employees during the year was 115 (2014: 114).

9 Remuneration and expenses of the Commissioners

No Commissioners nor trustees of the SCRAN Trust received any remuneration. Expenses in relation to travel and subsistence costs and training paid to 7 Commissioners (2014: 7) amounted to £2,650 (2014: £2,915).

No expenses were paid to SCRAN trustees (2014: £Nil). The SCRAN Trust purchased trustee indemnity insurance on behalf of its trustees.

10 Intangible fixed assets

Group	£
Cost	
At beginning and end of year	10,100,806
	<hr/>
Amortisation	
At beginning of year	10,032,403
Charge for year	7,531
	<hr/>
At end of year	10,039,934
	<hr/>
Net book value	
At 31 March 2015	60,872
	<hr/> <hr/>
At 31 March 2014	68,403
	<hr/> <hr/>

The intangible fixed assets are rights acquired by the group to arrange for public access to digitised cultural assets. Valuation is based on a formula agreed with the Millennium Commission moderated by the value in use of the asset. An impairment charge of £5,459,169 was made in respect of these assets in 2005. During 2013/14 the Scran Trust acquired the Blom Simmons archive at a cost of £75,306. In line with the company's accounting policy, these costs are being amortised over a period of 10 years.

Notes (continued)

11 Tangible fixed assets

Group	Tenants' improvements	Computer equipment and software	Motor vehicles	Plant and machinery	Total
	£	£	£	£	£
Fixed assets					
At cost					
At start of year	259,037	1,562,795	128,067	657,072	2,606,971
Additions	-	139,551	-	-	139,551
Disposals	-	(45,757)	(12,562)	-	(58,319)
At end of year	259,037	1,656,589	115,505	657,072	2,688,203
Depreciation					
At start of year	25,132	1,250,492	123,450	293,911	1,692,985
Charge for year	8,635	198,723	4,617	88,805	300,780
Disposals	-	(45,702)	(12,562)	-	(58,264)
At end of year	33,767	1,403,513	115,505	382,716	1,935,501
Net book value					
At 31 March 2015	225,270	253,076	-	274,356	752,702
At 31 March 2014	233,905	312,303	4,617	363,161	913,986
Commission					
Fixed assets	Tenants' improvements	Office computer equipment	Motor vehicles	Plant and machinery	Total
	£	£	£	£	£
At cost					
At start of year	259,037	1,453,164	128,067	657,072	2,497,340
Additions	-	118,980	-	-	118,980
Disposals	-	(45,757)	(12,562)	-	(58,319)
At end of year	259,037	1,526,387	115,505	657,072	2,558,001
Depreciation					
At start of year stated	25,132	1,195,668	123,450	293,911	1,638,161
Charge for year	8,635	150,749	4,617	88,805	252,806
Disposals	-	(45,702)	(12,562)	-	(58,264)
At end of year	33,767	1,300,715	115,505	382,716	1,832,703
Net book value					
At 31 March 2015	225,270	225,672	-	274,356	725,298
At 31 March 2014	233,905	257,496	4,617	363,161	859,179

Included within fixed assets are assets held under finance lease agreements with a net book value of £18,180 (2014: £30,301). Depreciation charged on these assets in the year was £12,120 (2014: £6,060).

Notes (continued)

12 Investments

On 1 April 2008, the Royal Commission on the Ancient and Historical Monuments of Scotland took over control of The SCRAN Trust and its wholly owned trading subsidiary, SCRAN Limited. No financial consideration was paid as part of this arrangement.

The charitable object of the SCRAN Trust is the advancement of education by enabling the public access to cultural heritage and social history resources in museums, libraries and other collections.

Both The SCRAN Trust and SCRAN Limited are companies, registered in Scotland.

13 Debtors

	Group		Commission	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	459,251	309,090	197,168	182,973
Prepayment and accrued income	84,670	106,985	65,848	94,795
Amounts due by group companies	-	-	529,194	434,433
Other debtors	1,281	1,927	1,281	920
	<u>545,202</u>	<u>418,002</u>	<u>793,491</u>	<u>713,121</u>

14a Creditors: Amounts falling due within one year

	Group		Commission	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	44,770	48,751	33,011	28,852
Finance lease creditors	10,238	10,054	10,238	10,054
Accruals and deferred income	411,470	115,561	332,875	48,634
Other creditors	81,180	141,226	45,714	109,373
Taxation and other social security costs	17,219	15,937	16,990	15,937
	<u>564,878</u>	<u>331,529</u>	<u>438,828</u>	<u>212,850</u>

14b Creditors: amounts falling due after more than one year

	Group		Commission	
	2015	2014	2015	2014
	£	£	£	£
Finance lease creditors	2,588	12,827	2,588	12,827
Accruals and deferred income	2,262	1,786	-	-
	<u>4,850</u>	<u>14,613</u>	<u>2,588</u>	<u>12,827</u>

15 Provision

	£
Balance brought forward at 1 April 2014	523,666
Released during the year	(21,021)
Balance carried forward at 31 March 2015	<u>502,645</u>

The group renewed its lease on the property at Bernard Terrace on 31 March 2014. The new lease runs until 2026. As part of the lease negotiations it was agreed RCAHMS would undertake some dilapidations in the immediate future.

Notes (continued)

16 Analysis of funds

Group	Balance at 1 April 2014 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2015 £	RCAHMS contribution to project expenditure £	Total project expenditure including RCAHMS contribution £
Unrestricted funds							
General reserve	2,365,057	5,595,442	(6,885,944)	(25,554)	1,049,001	-	-
Restricted funds							
Scottish Government – Capital spend	-	118,180	(118,180)	-	-	800	118,980
Skills for the Future	-	181,659	(181,659)	-	-	91,671	273,330
Scotland's Urban Past	(5,500)	138,465	(132,965)	-	-	46,583	179,548
Historic Land Use assessment	-	142,904	(142,904)	-	-	139,914	282,818
Craig Phadraig Fort Survey	-	3,000	(3,000)	-	-	-	3,000
Staff secondment	-	49,522	(49,522)	-	-	-	49,522
Pastmap GIS-Oracle Project	-	10,000	(6,325)	-	3,675	-	6,325
Defining Scotland's Places	-	30,663	(30,663)	-	-	22,730	53,393
Britain from Above	-	61,631	(61,631)	-	-	36,867	98,498
Cairngorms Communities Heritage Project	-	5,000	(5,000)	-	-	22,689	27,689
Transcribing Scotland's Places	-	-	-	-	-	19,674	19,674
Creating a Vision for the Commonwealth	6,245	3,500	(9,745)	-	-	8,211	17,956
Skara Brae Archive	-	1,600	(1,600)	-	-	-	1,600
Blom Simmons Project	-	-	(25,603)	25,603	-	-	25,603
Great Crowns of Stone	-	1,500	(1,500)	-	-	-	1,500
The Art Fund	-	1,500	(1,500)	-	-	3,614	5,114
Archaeolandscapes	-	4,205	(4,205)	-	-	12,606	16,811
The Tomb of Robert the Bruce Project Accord	-	2,000	(2,000)	-	-	11,431	13,431
Tibbers Castle Geophysical Survey	-	4,114	(4,114)	-	-	1,240	5,354
Strathearn Fort Survey	-	4,183	(4,183)	-	-	2,905	7,088
FCS Forrester GIS Heritage Module	-	1,560	(266)	-	1,294	-	266
Halligarth	-	5,000	(5,000)	-	-	8,200	13,200
MedIn Digital Transfer	-	2,000	(2,000)	-	-	986	2,986
Stobs Camp Historical Documentary	-	4,421	(4,421)	-	-	84	4,505
Funds < £1,000	-	10,000	(8,700)	-	1,300	-	8,700
	-	3,535	(3,486)	(49)	-	8,656	12,142
Total	745	790,142	(810,172)	25,554	6,269	438,861	1,249,033
Overall total	2,365,802	6,385,584	(7,696,116)	-	1,055,270	-	-

Notes (continued)

16 Analysis of funds (continued)

	Balance at 1 April 2014 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2015 £	RCAHMS contribution to project expenditure £	Total project expenditure including RCAHMS contribution £
Commission							
Unrestricted funds							
General reserve	864,573	5,171,882	(5,421,958)	49	614,546		
Restricted funds							
Scottish Government – Capital spend	-	118,180	(118,180)	-	-	800	118,980
Scottish Government – SCRAN	-	195,000	(195,000)	-	-	-	195,000
Skills for the Future	-	181,659	(181,659)	-	-	91,671	273,330
Scotland's Urban Past	(5,500)	138,465	(132,965)	-	-	46,583	179,548
Historic Land Use assessment	-	142,904	(142,904)	-	-	139,914	282,818
Craig Phadraig Fort Survey	-	3,000	(3,000)	-	-	-	3,000
Staff secondment	-	49,522	(49,522)	-	-	-	49,522
Pastmap GIS-Oracle Project	-	10,000	(6,325)	-	3,675	-	6,325
Defining Scotland's Places	-	30,663	(30,663)	-	-	22,730	53,393
Britain from Above	-	61,631	(61,631)	-	-	36,867	98,498
Cairngorms Communities Heritage Project	-	5,000	(5,000)	-	-	22,689	27,689
Transcribing Scotland's Places	-	-	-	-	-	19,674	19,674
Creating a vision for the Commonwealth	6,245	3,500	(9,745)	-	-	8,211	17,956
Skara Brae Archive	-	1,600	(1,600)	-	-	-	1,600
Great Crowns of Stone	-	1,500	(1,500)	-	-	-	1,500
The Art Fund	-	1,500	(1,500)	-	-	3,614	5,114
Archaeolandscapes	-	4,205	(4,205)	-	-	12,606	16,811
The Tomb of Robert the Bruce Project Accord	-	2,000	(2,000)	-	-	11,431	13,431
Tibbers Castle Geophysical Survey	-	4,114	(4,114)	-	-	1,240	5,354
Strathearn Fort Survey	-	4,183	(4,183)	-	-	2,905	7,088
FCS Forester GIS Heritage Module	-	1,560	(266)	-	1,294	-	266
Hallgarth	-	5,000	(5,000)	-	-	8,200	13,200
Medin Digital Transfer	-	2,000	(2,000)	-	-	986	2,986
Stobs Camp Historical Documentary	-	4,421	(4,421)	-	-	84	4,505
Funds < £1,000	-	10,000	(8,700)	-	1,300	-	8,700
	-	3,535	(3,486)	(49)	-	8,656	12,142
Total	745	985,142	(979,569)	(49)	6,269	438,861	1,418,430
Overall total	865,318	6,157,024	(6,401,527)	-	620,815		

The above projects included under restricted funds are in line with the Commission's charitable objectives and have been delivered through partnership funding.

Notes (continued)

17 Analysis of funds (continued)

Restricted funds

Scottish Government – Capital spend:	funding from the Scottish Government to pay for building works at Bernard Terrace.
Skills for the Future:	a 3 year project funded by the Heritage Lottery Fund to provide one-year traineeships allowing individuals to gain valuable vocational knowledge and transferable skills in heritage work.
Scotland's Urban Past:	a development grant provided by the Heritage Lottery Fund to assist with the cost of scoping a major new project. Heritage Lottery Fund has now approved grant funding of £1.65m over 5 years for the main Scotland's Urban Past project which is expected to commence in the Autumn of 2015. The deficit on the project at the year end is temporary and will be met by funding post year end.
Historic Land Use Assessment:	a partnership project funded by Historic Scotland and RCAHMS to create a digital map to show relict landscapes and changes in land use that have occurred over time.
Craig Phadraig Fort Survey:	funding from the Forestry Commission Scotland to allow an RCAHMS member of staff to carry out research on the history of excavations and surveys at the vitrified fort on Craig Phadraig.
Staff secondment:	funding to cover staff secondment.
Pastmap GIS-Oracle Project:	contribution by Historic Scotland towards the joint Historic Scotland and RCAHMS project to maintain the Pastmap database.
Defining Scotland's Places:	a project funded by Historic Scotland and RCAHMS in partnership with Local Authorities to trial three different ways of mapping Scotland's archaeology.
Britain from Above:	a partnership project with English Heritage and RCAHMS funded by the Heritage Lottery Fund for a conservation programme on the oldest and most valuable photographs in the Aerofilms Collection. The aim of the project is to make these photographs freely available online.
Cairngorms Communities Heritage Project:	a joint project to deliver an extensive programme of community heritage activities in the Strathspey area of the Cairngorms National Park. To encourage and train local communities to engage more closely with their local heritage.

Notes (continued)

17 Analysis of funds (continued)

Restricted funds (continued)

Transcribing Scotland's Places:	a project funded by the Heritage Lottery Fund, designed to encourage the public to learn about, enhance and use a variety of digital archive resources available on the Scotland's Places website.
Creating a vision for the Commonwealth:	a Creative Scotland commissioned project to enable RCAHMS, in partnership with the Scottish Documentary Institute, to deliver a film as part of the cultural programme for the 2014 Commonwealth Games.
Skara Brae Archive	funding provided by Historic Scotland to assist with the consolidation of the Skara Brae excavation archive of Dr David Clarke and Dr Alexandra Shepherd for deposit, cataloguing and long-term preservation with RCAHMS.
Blom Simmons Project	funding from Hertfordshire County Council to digitize the Blom Simmons archive.
Great Crowns of Stone	Funding from Publishing Scotland to assist with the cost of digitising the RCAHMS publication 'Great Crowns of Stone'.
Art Fund	Funding from The Art Fund to assist with the purchase of a painting by David Rhind of the Commercial Bank, George Street, Edinburgh.
Archaeolandscapes	Project with the EC which will run over several years and income will be loaded to the end claims. RCAHMS have agreed more than 50% 'in kind' contribution. This project commenced in 2011 and is expected to finish in the spring of 2016.
The Tomb of Robert the Bruce	Funding from the Society of Antiquaries of Scotland towards RCAHMS staff and expenses in connection with this project.
Project Accord	Funding from AHRC to cover the time Alex Hale spent on Project Accord plus travel and subsistence expenses associated with the project.
Tibbers Castle Geophysical Survey	Grants from The Castle Studies Trust and from Historic Scotland to assist with the cost of carrying out a geophysical survey at Tibbers Castle, Dumfriesshire. The funding is to cover RCAHMS' staff time and expenses on the project as well as external consultancy costs.

Notes (continued)

17 Analysis of funds (continued)

Restricted funds (continued)

Strathearn Fort Survey

A partnership project with Glasgow University. A grant of £1,560 to cover the cost of travel incurred by RCAHMS staff in undertaking the survey of Iron Age forts in Strathearn, Perth and Kinross

FCS Forester GIS Heritage Module

Funding from the Forestry Commission Scotland towards the polygonisation of the Canmore Records on the national Forest Estate.

Halligarth

Funding from NTS to assist with the cost of RCAHMS staff time and expenses to undertake a threatened buildings survey of Halligarth, a house at Baltasound on Unst, Shetland

Medin Digital Transfer

Grant from Natural Environment Research Council towards costs of digital transfer of Camcorder dive tapes to digital format.

Stobs Camp Historical Documentary

Funding from Historic Scotland towards the cost of the Stobs Camp Community Partnership Project.

18 Analysis of net assets between funds

Group	Unrestricted Funds £	Restricted Funds £	2015 Total £	2014 Total £
Fixed assets	813,574	-	813,574	982,389
Net current assets	742,922	6,269	749,191	1,921,692
Long term liabilities	(4,850)	-	(4,850)	(14,613)
Provisions	(502,645)	-	(502,645)	(523,666)
	1,049,001	6,269	1,055,270	2,365,802
Commission				
Tangible fixed assets	725,298	-	725,298	859,179
Net current assets	394,481	6,269	400,750	542,632
Long term liabilities	(2,588)	-	(2,588)	(12,827)
Provisions	(502,645)	-	(502,645)	(523,666)
	614,546	6,269	620,815	865,318

Notes (continued)

19 Operating lease commitments

The group's commitments under operating leases for the year are for leases expiring:

	Land and buildings	Other Equipme nt	Total 2015	Land and buildings	Other equipment	Total 2014
	£	£	£	£	£	£
Within 2-5 years	-	2,950	2,950	-	2,019	2,019
Greater than 5 years	460,000	-	460,000	460,000	931	460,931
	<u>460,000</u>	<u>2,950</u>	<u>462,950</u>	<u>460,000</u>	<u>2,950</u>	<u>462,950</u>

20 Pension

All pension information is now contained in the Remuneration Report and Note 8 – Staff Numbers and Costs.

21 Donation to Historic Scotland Foundation

In March 2015, Scran Trust donated £1,100,000 to the Historic Scotland Foundation as a restricted fund for the purposes of supporting Scran's charitable purposes within HES on the terms of a Minute of Agreement. The Restricted Fund is to be used solely for the furtherance of the advancement of education by enabling public access to Scottish cultural resources and related material through funding development activities, projects and services which: (1) are or were initiated, directly related or directly associated to Scran and the types of projects it services it carries out as at the date of the agreement; or (2) are substantially similar to the types of Scran activities listed in a schedule to the attached to the agreement.

22 Preparation of the financial statements

In common with many other charities of our size and nature we use our auditors to assist in the preparation of the financial statements.

23 Related party transactions

During the year the Commission charged management charges to its subsidiaries to cover salary and overhead costs. The charge to SCRAN Trust was £298,089 (2014: £278,566) and the charge to SCRAN Limited was £530,929 (2014: £542,485). The Commission received a grant of £Nil (2014: £16,983) from SCRAN Trust in the year and paid a grant of £195,000 (2014: £Nil) to the SCRAN Trust. The amount due from group companies, and included within debtors at the year end, was £529,194 (2014: £434,433).

During the year, the Commission received a grant of £2,000 and made payments of £80 for goods and services to the Society of Antiquaries of Scotland, a charity in which Mr Dawson, Commissioner, is a trustee. The Commission also made a payment of £26 for goods and services to the Scottish Stained Glass Trust, a charity in which Professor Hume, Commissioner, is Chairman.

24 Ultimate controlling party

In the opinion of the Commissioners there is no ultimate controlling party of The Royal Commission on the Ancient and Historical Monuments of Scotland.