

Registered Number: SC335855

MACAULAY SCIENTIFIC CONSULTING LIMITED

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2014

MACAULAY SCIENTIFIC CONSULTING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

Contents

	Page
Directors' report	1-2
Statements of directors' responsibilities	3
Independent auditors' report	4-5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8-11

MACAULAY SCIENTIFIC CONSULTING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014

The directors present their annual report and the audited financial statements for the period ended 31 March 2014.

Principal activities

During the year, the objective of Macaulay Scientific Consulting Ltd was to provide a range of analytical, scientific and consultancy services, by utilising the expertise and resources of the James Hutton Institute .

Business review

Macaulay Scientific Consulting Ltd success is substantially dependent upon the delivery of quality services to its customers as well as upon the expertise built over many years in the James Hutton Institute in general analytical and physical chemistry, soil science, clay mineralogy and environmental science. Macaulay Scientific Consulting Ltd continued to expand services to customers in the international oil & gas industry. Throughout the past year, MSC has supported clients through specialist analytical services and by helping to solve problems that require new analytical method development. In September 2013 and March 2014, we built on long-standing and world-renowned expertise in the field of Clay Mineralogy at the James Hutton Institute and, again, delivered the course 'Clay Mineralogy and its Application to the Oil Industry' to an international industrial audience.

Macaulay Scientific Consulting Ltd contributes to the continued current financial security of the James Hutton Institute (the Institute) by covering a part of the Institute's operating and fixed costs and by donating all profits generated to the Institute by gift aid.

The turnover of Macaulay Scientific Consulting Ltd in the year ended 31 March 2014 increased by 14% to £2,224K (2013: £1,955K) due to a strong increase in revenue from the provision of specialist analytical services. The company returned a profit before gift aid of £455K (2013: £161K).

The business activities of Macaulay Scientific Consulting Ltd were carried out during the year by the staff of the James Hutton Institute by an agreed recharging mechanism from the Institute for provision of those services.

Directors

The directors who held office during the period ended 31 March 2014 and to the date of signing were:

Professor Brian D Clark MBE
Dr Robert Ferrier

The following were also Non-Executive Directors during the year:

Mr Alexander Morrison (Chairman) (resigned 31 May 2014)
Mr Ray Perman (resigned 31 May 2014)
Mr William H Donald (resigned 31 May 2014)
Ms Jennifer Craw (resigned 31 May 2014)

Mr William H Donald was an executive director to the 31st January 2014 and a non-executive director thereafter.

All these Non-Executive Directors, with the exception of Mr Ray Perman, have been appointed as Directors of a new commercial subsidiary of the James Hutton Institute, James Hutton Ltd, with effect from 1 June 2014. This new company will incorporate the activities of the James Hutton Institute's current commercial subsidiaries, Mylnefield Research Services Ltd and Macaulay Scientific Consulting Ltd and build on their success at a future date.

MACAULAY SCIENTIFIC CONSULTING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

Company Secretary

Elizabeth Corcoran (appointed 6 May 2013)
D.W. Company Services Limited (resigned 6 May 2013)

Registered office

Macaulay Drive
Craigiebuckler
Aberdeen AB15 8QH

Auditors

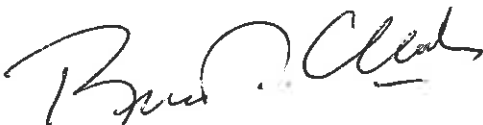
Johnston Carmichael LLP
Bishop's Court
29 Albyn Place
Aberdeen
AB10 1YL

Statement of disclosure to auditor

The directors confirm that:

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

By order of the board



Professor Brian D Clark MBE
Director

17th September 2014

MACAULAY SCIENTIFIC CONSULTING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 company will continue in business.

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

MACAULAY SCIENTIFIC CONSULTING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MACAULAY SCIENTIFIC CONSULTING LIMITED

We have audited the financial statements of Macaulay Scientific Consulting Limited for the year ended 31 March 2014 set out on pages 6 to 11. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Directors' Report to identify any 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.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

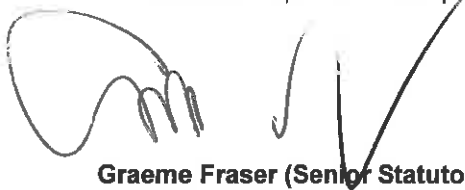
MACAULAY SCIENTIFIC CONSULTING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MACAULAY SCIENTIFIC CONSULTING LIMITED (CONTINUED)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Graeme Fraser (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor

Bishop's Court
29 Albyn Place
Aberdeen AB10 1YL

4 November 2014

MACAULAY SCIENTIFIC CONSULTING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £000	2013 £000
Turnover	2	2,224	1,955
Cost of sales		(1,721)	(1,762)
Gross profit		503	193
Operating expenses	3	(48)	(32)
Gift aid payment		(455)	(161)
Operating loss before interest		-	-
Interest receivable		-	-
Interest payable		-	-
Loss on ordinary activities before taxation	4	-	-
Tax on profit on ordinary activities	7	-	-
Loss for the financial year after taxation	11 & 12	-	-

All amounts relate to continuing operations.

There are no recognised gains or losses other than the results for the financial years reported above.

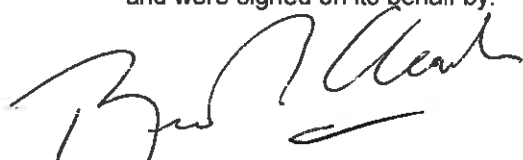
There is no difference between the result on ordinary activities before taxation and the result for the financial years stated above, and their historical cost equivalents.

MACAULAY SCIENTIFIC CONSULTING LIMITED

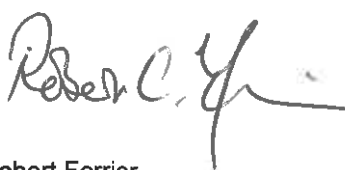
BALANCE SHEET AT 31 MARCH 2014

	Note	2014 £000	2013 £000
Current Assets			
Stock		6	4
Debtors	8	628	662
Cash at bank and in hand		81	225
		<u>715</u>	<u>891</u>
Creditors: amounts falling due within one year	9	<u>(721)</u>	<u>(897)</u>
Net Current Liabilities		<u>(6)</u>	<u>(6)</u>
Total assets less current liabilities		(6)	(6)
Creditors: amounts falling due outwith one year		<u>-</u>	<u>-</u>
Net Liabilities		<u>(6)</u>	<u>(6)</u>
Capital and reserves			
Share capital	10	10	10
Profit and loss account	11	(16)	(16)
Equity shareholder's funds	12	<u>(6)</u>	<u>(6)</u>

These financial statements were approved by the Board of Directors on 17th September 2014
and were signed on its behalf by:



Professor Brian D Clark MBE
Director



Dr Robert Ferrier
Director

Company registration number SC335855

MACAULAY SCIENTIFIC CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers.

Taxation

Taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. There is no deferred taxation provision as each year the company donates an amount equal to any taxable profits to its parent undertaking. Under the gift aid provisions, no deferred tax will crystallise.

MACAULAY SCIENTIFIC CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

2	Turnover		
		2014	2013
		£000	£000
	Geographical segment:		
	United Kingdom	1,110	1,430
	Rest of Europe	52	69
	Rest of World	1,062	456
		2,224	1,955
3	Operating expenses		
		2014	2013
		£000	£000
	Selling and distribution costs	22	14
	Administrative expenses	26	18
		48	32
4	Loss on ordinary activities before taxation		
		2014	2013
		£000	£000
	Loss on ordinary activities before taxation is stated after charging:		
	Auditors' remuneration	4	4

5 Remuneration of directors

The directors received aggregate remuneration of £18k from the company during the period ended 31 March 2014 (2013 £12k). There are no retirement benefits accruing to directors.

6 Staff numbers and costs

MSC does not employ any staff and staff costs for 2013 and 2014 were £nil.

MACAULAY SCIENTIFIC CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

7	Taxation on profit on ordinary activities		
		2014	2013
		£000	£000
	Current tax		
	UK corporation tax	<u>-</u>	<u>-</u>
		2014	2013
		£000	£000
	Factors affecting the tax charge for the current year		
	Profit on ordinary activities before tax	-	-
	Profit on ordinary activities multiplied by the standard rate of corporate taxation in the UK of 20% (2013: 20%)	-	-
	Effects of:		
	Expenses not deductible for taxation purposes	-	-
	Total current tax charge	<u>-</u>	<u>-</u>
8	Debtors		
		2014	2013
		£000	£000
	Trade debtors	378	498
	Prepayments and accrued income	50	164
	Amounts due from parent undertaking	200	-
		<u>628</u>	<u>662</u>
9	Creditors: amounts falling due within one year		
		2014	2013
		£000	£000
	Trade creditors	3	19
	Accruals and deferred income	181	17
	Other Taxation and Social Security	82	-
	Amounts due to parent undertaking	-	700
	Amounts due to parent undertaking (gift aid)	455	161
		<u>721</u>	<u>897</u>
10	Called up share capital		
		2014	2013
		£000	£000
	Allotted, called up and fully paid 10,000 Ordinary Shares of £1 each	<u>10</u>	<u>10</u>

MACAULAY SCIENTIFIC CONSULTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

11 Profit and loss account

	2014 £000	2013 £000
Opening balance	(16)	(16)
Retained Loss for year	-	-
Closing balance	<u>(16)</u>	<u>(16)</u>

12 Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Opening shareholders' funds	(6)	(6)
Loss for the financial period	-	-
Closing shareholders' funds	<u>(6)</u>	<u>(6)</u>

13 Related party transactions

The company has taken advantage of the exemption from the requirement to disclose transactions with other group companies in accordance with Financial Reporting Standard 8.

14 Parent undertaking

The immediate and ultimate parent undertaking of the company throughout the year was The James Hutton Institute.

A copy of the group financial statements can be obtained from The James Hutton Institute, Invergowrie, Dundee DD2 5DA.

