

Company Registration No. 04369607 (England and Wales)

D.C. Thomson Family History Limited

Previously brightsolid online publishing limited

Directors' report and accounts

for the year ended 31 March 2014

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D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Company information

Directors	CHW Thomson DHE Thomson A Van Den Belt RP Daly ARF Hall
Secretary	I Douglas
Company number	04369607
Registered office	The Glebe 6 Chapel Place Rivington Street London EC2A 3DQ
Auditor	Henderson Loggie Royal Exchange Panmure Street Dundee DD1 1DZ

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
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D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Strategic report
For the year ended 31 March 2014

The directors present their report and accounts for the year ended 31 March 2014.

Review of the business

The Company operates on line websites offering genealogical and other historic data using the following brands

- Find My Past
- Genes Reunited
- Scotland's People
- The British Newspaper Archive

The year to March 2014 resulted in a reduction in sales of £2m (11.5%) with reductions in both subscribers and pay per view customers but with an increase in revenues in the Newspaper Archive site. This is the main reason for the drop in operating profit.

The business continued investment in geographic expansion and new data. During the year there were changes in the management structure

Since the year end the business has continued investment with the acquisition of Mocavo Inc in the US. This operation brings new technology and new data to assist increasing the subscriber base particularly in the US.

The company is also engaged in digitising the 1939 Emergency Register for the National Archive and has developed a site with the Imperial War Museum called Lives of the First World War, commemorating the 100th anniversary of this event by creating a record of personal stories from the time.

The business also continues to invests significant sums in data enhancing customer experience.

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Strategic report (continued)
For the year ended 31 March 2014

Key areas of strategic development and performance of the business include:

Competitive advantage - the company focuses on areas where it has a competitive advantage including the addition of new records and the development of the sites with enhancements to the Family Tree Explorer, search and other functionality to make the sites easy to use which places them well in terms of superior, long-term income/cash flow growth potential.

The company/group continues to place considerable emphasis on environmental compliance. It is aware of its environmental responsibilities and actively takes these into account when considering key processes, strategic and operational decisions.

The company/group monitors forthcoming and current legislation regularly and continues to manage proactively the operational and reporting requirements arising from legislation and an increasing regulatory regime throughout its operations. The company/group's staff resources are vital to its continued operational success and on-going training and development form a fundamental strand of the Group's HR function as well as a safe and healthy workplace for its employees.

Key financial performance indicators include the monitoring and management of profitability and working capital and review of customer activity levels.

On behalf of the board



DHE Thomson

Director

30 October 2014

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Directors' report
For the year ended 31 March 2014

The directors present their report and accounts for the year ended 31 March 2014.

Principal activities and review of the business

The principal activity of the company is the provision of access to online genealogical records primarily through www.findmypast.co.uk, www.1911census.co.uk and www.genesreunited.co.uk. The company also operates www.scotlandspeople.gov.uk on behalf of the National Records of Scotland. The database of records available to customers continued to be expanded during the year with investment in site functionality continuing throughout the year.

Results and dividends

The results for the year are set out on page 7.

Directors

The following directors have held office since 1 April 2013:

CHW Thomson	
DHE Thomson	(Appointed 30 October 2013)
A Van Den Belt	(Appointed 29 November 2013)
RP Daly	
CRD Van der Kuyl	(Resigned 20 August 2013)
ARF Hall	(Appointed 30 October 2013)

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Directors' report (continued)
For the year ended 31 March 2014

Statement of directors' responsibilities

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

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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.

Statement of disclosure to auditors

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

On behalf of the board



DHE Thomson

Director

30 October 2014

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Independent auditors' report
To the members of D.C. Thomson Family History Limited

We have audited the accounts of D.C. Thomson Family History Limited for the year ended 31 March 2014 which comprise the Profit and Loss Account, the Balance Sheet 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss 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 Strategic Report and Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Independent auditors' report (continued)
To the members of D.C. Thomson Family History Limited

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 accounts 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.



Stephen Cartwright (Senior Statutory Auditor)
for and on behalf of Henderson Loggie

30 October 2014

Chartered Accountants
Statutory Auditor

Royal Exchange
Panmure Street
Dundee
DD1 1DZ

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Profit and loss account
For the year ended 31 March 2014

	Notes	2014 £	2013 £
Turnover	2	16,039,818	18,132,524
Cost of sales		<u>(5,355,350)</u>	<u>(5,818,195)</u>
Gross profit		10,684,468	12,314,329
Administrative expenses		<u>(11,051,880)</u>	<u>(10,543,550)</u>
Operating (loss)/profit	3 -	(367,412)	1,770,779
Investment income	4	-	3,578,680
Other interest receivable and similar income	4	159,389	7,444
Interest payable and similar charges	5	-	<u>(155,485)</u>
(Loss)/profit on ordinary activities before taxation		(208,023)	5,201,418
Tax on (loss)/profit on ordinary activities	6	<u>(57,917)</u>	<u>(167,529)</u>
(Loss)/profit for the year	15	<u>(265,940)</u>	<u>5,033,889</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Balance sheet
As at 31 March 2014

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	8	4,535,078		4,472,840	
Tangible assets	9	709,454		620,444	
Investments	10	3,001,033		3,001,033	
		<u>8,245,565</u>		<u>8,094,317</u>	
Current assets					
Debtors	11	4,400,695		5,402,885	
Cash at bank and in hand		<u>374,539</u>		<u>749,400</u>	
		4,775,234		6,152,285	
Creditors: amounts falling due within one year	12	<u>(7,387,256)</u>		<u>(8,347,119)</u>	
Net current liabilities		<u>(2,612,022)</u>		<u>(2,194,834)</u>	
Total assets less current liabilities		<u>5,633,543</u>		<u>5,899,483</u>	
		<u><u>5,633,543</u></u>		<u><u>5,899,483</u></u>	
Capital and reserves					
Called up share capital	14	10,000		10,000	
Profit and loss account	15	<u>5,623,543</u>		<u>5,889,483</u>	
Shareholders' funds	16	<u><u>5,633,543</u></u>		<u><u>5,899,483</u></u>	

Approved by the Board and authorised for issue on 30 October 2014



DHE Thomson
Director

Company Registration No. 04369607

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts
For the year ended 31 March 2014

1 Accounting policies

1.1 Accounting convention

The accounts are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is part of a group which prepares a group cash flow statement.

The accounts present information for the company as an individual undertaking and not about its group because the company is exempt from preparing group accounts as its ultimate parent undertaking, DC Thomson & Company Limited, produces publicly available consolidated accounts.

1.2 Compliance with accounting standards

The accounts are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover and revenue recognition

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Subscription revenue is recognised evenly across the period of subscription. Pay-per-view revenue is deferred in the balance sheet until a customer obtains a view of the requested data, whereupon the revenue is recognised as turnover.

1.4 Research and development

Dataset development and transcription costs are capitalised in accordance with SSAP 13 as development expenditure. The expenditure so capitalised is amortised over the expected useful life of the dataset, normally 5 years, from the period in which the data is published on the website.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	3 years
Fixtures, fittings & equipment	5 years

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate these values may not be recoverable. If there is an indication that impairment does exist (i.e. the carrying value of the asset exceeds its recoverable amount) the asset is written down through the profit and loss account to its recoverable amount.

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

1 Accounting policies (continued)

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Taxation

The tax expense represents the sum of the corporation tax and deferred tax charge/(credit) for the year.

The tax currently payable/(repayable) is based on taxable profit/(loss) for the year. The company's liability/asset for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available in the future. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss accounts, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

3	Operating (loss)/profit	2014	2013
		£	£
	Operating (loss)/profit is stated after charging:		
	Amortisation of intangible assets	1,315,183	1,404,038
	Depreciation of tangible assets	451,676	378,386
	Operating lease rentals		
	- Plant and machinery	4,065	3,296
	- Other assets	387,635	353,451
		<u></u>	<u></u>

Auditor's remuneration for both periods has been borne by another group company.

No remuneration was paid to the directors during the year. All directors are paid through brightsolid online innovation limited.

The company does not employ any staff. All staff are provided on an agency basis by brightsolid online innovation limited.

4	Investment income	2014	2013
		£	£
	Income from shares in group undertakings	-	3,578,680
	Bank interest	4,105	7,444
		<u></u>	<u></u>
		159,389	3,586,124
		<u></u>	<u></u>

5	Interest payable	2014	2013
		£	£
	On amounts payable to group companies	-	155,485
		<u></u>	<u></u>

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

6	Taxation	2014	2013
		£	£
	Domestic current year tax		
	U.K. corporation tax	49,111	415,416
	Adjustment for prior years	8,806	(23,856)
	Total current tax	57,917	391,560
	Deferred tax		
	Deferred tax charge/credit current year	-	(240,915)
	Deferred tax adjust re previous year	-	16,884
		-	(224,031)
		57,917	167,529
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	(208,023)	5,201,418
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23% (2013 - 24%)	(47,845)	1,248,340
	Effects of:		
	Difference between depreciation and capital allowances	73,297	19,955
	Write off of intercompany balance	23,659	-
	Expenses not deductible for tax purposes	-	6,004
	Adjustments to previous periods	8,806	(23,856)
	Income not taxable	-	(858,883)
		105,762	(856,780)
	Current tax charge for the year	57,917	391,560
7	Dividends	2014	2013
		£	£
	Ordinary interim paid	-	3,578,680

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

8 Intangible fixed assets

	Development Costs £
Cost	
At 1 April 2013	15,245,693
Additions	1,377,420
	<u>16,623,113</u>
At 31 March 2014	<u>16,623,113</u>
Amortisation	
At 1 April 2013	10,772,852
Charge for the year	1,315,183
	<u>12,088,035</u>
At 31 March 2014	<u>12,088,035</u>
Net book value	
At 31 March 2014	<u>4,535,078</u>
At 31 March 2013	<u>4,472,840</u>

9 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 April 2013	3,483,316
Additions	540,686
	<u>4,024,002</u>
At 31 March 2014	<u>4,024,002</u>
Depreciation	
At 1 April 2013	2,862,872
Charge for the year	451,676
	<u>3,314,548</u>
At 31 March 2014	<u>3,314,548</u>
Net book value	
At 31 March 2014	<u>709,454</u>
At 31 March 2013	<u>620,444</u>

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

10 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 2013 & at 31 March 2014	<u>3,001,033</u>
Net book value	
At 31 March 2014	<u>3,001,033</u>
At 31 March 2013	<u>3,001,033</u>

The company owns the entire share capital of brightsolid newspaper archive limited, which is engaged on a project to scan British Library newspaper archive material.

The company owns the entire share capital of Genes Reunited Limited, brightsolid online innovation (Ireland) Limited, brightsolid online innovation US Inc and brightsolid online publishing Australasia PTY.

11 Debtors	2014	2013
	£	£
Trade debtors	139,199	127,913
Amounts owed by parent and fellow subsidiary undertakings	3,586,125	4,552,255
Other debtors	9,332	37,305
Prepayments and accrued income	409,263	428,636
Deferred tax asset (see note 13)	256,776	256,776
	<u>4,400,695</u>	<u>5,402,885</u>

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

12 Creditors: amounts falling due within one year	2014	2013
	£	£
Deferred income	4,665,758	5,836,305
Trade creditors	1,054,842	677,444
Amounts owed to parent and fellow subsidiary undertakings	892,392	531,153
Corporation tax	49,111	415,416
Other taxes and social security costs	178,639	307,436
Accruals and other creditors	546,514	579,365
	<u>7,387,256</u>	<u>8,347,119</u>

Amounts owed to group undertakings are unsecured and have no fixed repayment date.

13 Provisions for liabilities

The deferred tax asset (included in debtors, note 11) is made up as follows:

	2014	
	£	
Balance at 1 April 2013 & at 31 March 2014	<u>(256,776)</u>	
	2014	2013
	£	£
Decelerated capital allowances	<u>(256,776)</u>	<u>(256,776)</u>

14 Share capital	2014	2013
	£	£
Allotted, called up and fully paid		
100,000 ordinary shares of 10p each	<u>10,000</u>	<u>10,000</u>

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2013	5,889,483
Loss for the year	(265,940)
Balance at 31 March 2014	<u>5,623,543</u>

16 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
(Loss)/profit for the financial year	(265,940)	5,033,889
Dividends	-	(3,578,680)
Net (depletion in)/addition to shareholders' funds	(265,940)	1,455,209
Opening shareholders' funds	<u>5,899,483</u>	<u>4,444,274</u>
Closing shareholders' funds	<u>5,633,543</u>	<u>5,899,483</u>

17 Contingent liabilities

The company's ultimate parent undertaking DC Thomson & Company Limited has provided a guarantee for a maximum of £1.2m in connection with a commercial contract.

DC Thomson & Company Limited also hold a bond and floating charge and a cross guarantee with brightsolid online innovation limited over all the assets of the company. The amount secured at 31 March 2014 was £5,296 (2013 - £1,204K).

D.C. Thomson Family History Limited
Previously brightsolid online publishing limited
Notes to the accounts (continued)
For the year ended 31 March 2014

18 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

	Other	
	2014	2013
	£	£
Operating leases which expire:		
Within one year	2,949	-
Between two and five years	-	3,000
	<u>2,949</u>	<u>3,000</u>

19 Control

The company is a wholly owned subsidiary undertaking of brightsolid online innovation limited, a company incorporated in Great Britain and registered in Scotland, which is a wholly owned subsidiary undertaking of DC Thomson & Company Limited, the ultimate parent company. There is no individual controlling party of DC Thomson & Company Limited.

20 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" not to disclose related party transactions between companies which are wholly owned by the ultimate parent company during the year where group accounts are prepared.