

IOP Enterprises Limited

Annual Report and Financial Statements

Year Ended

31 December 2018

Registered number
03471563



IOP Enterprises Limited

Annual Report and Financial Statements for the year ended 31 December 2018

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Directors

Professor Julian Jones
Professor Paul Hardaker
Mrs Kate Meehan

Registered office

37 Caledonian Road, London, N1 9BU

Company number

03471563

Bankers

HSBC Bank Plc, 62 George White Street, Cabot Circus, Bristol, Avon, BS1 3BA

Independent Auditors

PricewaterhouseCoopers LLP, 2 Glass Wharf, Bristol BS2 0FR

IOP Enterprises Limited

Report of the directors for the year ended 31 December 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018. The report of the directors has been prepared in accordance with the special provisions relating to small companies in accordance with the Companies Act 2006.

Principal activities, review of business and future developments

Traditionally, the business of IOP Enterprises was based on organising events making use of the Institute's own premises. The Institute of Physics' move to the King's Cross area gave an opportunity for a change in IOP Enterprises and an aspiration to look to the future with less dependence on building-based businesses.

During 2018 the activities of IOP Enterprises were limited. The company is expected to be dormant from 2019.

The company has elected pursuant to s.252, Companies Act 2006, not to lay the annual report and financial statements before the members in general meeting. Members, however, may by notice in writing to the company at its registered office require that the annual report and financial statements are laid before the company in general meeting.

The directors do not recommend the payment of a dividend. (2017: no dividend)

Directors

The directors set out in the table below have held office during 2018 unless otherwise stated:

Professor Julian Jones
Professor Paul Hardaker
Mrs Kate Meehan (resigned on 31 December 2018)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

IOP Enterprises Limited

Report of the directors for the year ended 31 December 2018 (*continued*)

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

Directors' Confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

Independent Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be proposed at the next annual general meeting.

By order of the Board

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime. The report was approved by the board and signed by its order:



Professor Julian Jones OBE FRSE FInstP CPhys
Chair of the Board

Date: 24 / 07 / 2019

IOP Enterprises Limited

Independent auditors' report to the members of IOP Enterprises Limited

Opinion

In our opinion, IOP Enterprises Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the statement of income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

IOP Enterprises Limited

Independent auditors' report to the members of IOP Enterprises Limited (*continued*)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Director's Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

IOP Enterprises Limited

Independent auditors' report to the members of IOP Enterprises Limited (continued)

guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Craig Sullivan (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
24 July 2019

IOP Enterprises Limited

Statement of income and retained earnings for the year ended 31 December 2018

	Note	2018 £	2017 £
Turnover		-	90,154
Cost of sales		-	(41,116)
Gross profit		-	49,038
Administrative expenses		4,212	(19,467)
Operating profit	3	4,212	29,571
Profit on ordinary activities before taxation		4,212	29,571
Taxation on profit from ordinary activities	7	-	-
Profit on ordinary activities after taxation		4,212	29,571
Retained profits at 1 January		970	970
Profit for the financial year		4,212	29,571
Payment to parent charity made under the gift aid scheme	8	712	(29,571)
Retained profits at 31 December		5,894	970

All items relate to continuing activities.

There were no items of other comprehensive income for the year.

The notes on pages 9 to 13 form part of these financial statements.

Balance sheet as at 31 December 2018

	Note	2018 £	2017 £
Current assets			
Debtors	9	7,814	7,562
Cash at bank and in hand		580	515
		<u>8,394</u>	<u>8,077</u>
Creditors: amounts falling due within one year	10	(2,498)	(7,105)
Net current assets		<u>5,896</u>	<u>972</u>
Net assets		<u>5,896</u>	<u>972</u>
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account		<u>5,894</u>	<u>970</u>
Shareholder's funds		<u>5,896</u>	<u>972</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A – small entities.

These financial statements were approved by the board of directors and authorised for issue on 24 July 2019 and signed on their behalf by



Professor Julian Jones OBE FRSE FInstP CPhys
Chair of the Board

The notes on pages 9 to 13 form part of these financial statements.

IOP Enterprises Limited

Notes forming part of the financial statements for the year ended 31 December 2018 (continued)

1 Accounting policies

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") section 1A Smaller Entities, and with the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

IOP Enterprises Ltd is a private limited company incorporated in England. The registered office is 37 Caledonian Road, London, N1 9BU.

The following principal accounting policies have been applied:

Turnover

Turnover is recognised at the point of service delivery and represents sales to external customers at invoiced amounts less value added tax.

Distributions

The company pays all its taxable profits for the reporting period to its parent charity under the gift aid scheme. These gift aid payments are recognised as distributions to owners in equity, when the company has made an irrevocable commitment to the parent to pay the taxable profits.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in an asset of the company after deducting all of its liabilities. Financial instruments are measured at amortised cost or fair value depending on the nature of the underlying arrangement.

Related party disclosures

Under FRS 102 the company is exempt from the requirement to disclose transactions with members of the group headed by the Institute of Physics, on the basis that 100% of the voting rights in the company are controlled within that group, and its results are consolidated in its parent's financial statements.

2 Significant judgements and estimates

In light of the low level of activity in the company for the years ended 31 December 2018 and 31 December 2017, no significant judgements were required in the process of applying the company's accounting policies.

IOP Enterprises Limited

Notes forming part of the financial statements for the year ended 31 December 2018 (continued)

3 Operating profit

This is arrived at after charging/(crediting):	2018	2017
	£	£
Auditors' remuneration in respect of audit	-	2,500
Write off prior year audit accrual	(4,000)	-
	<hr/>	<hr/>

The audit fee of £4k for prior years was settled by the parent company, the Institute of Physics. The company has incurred an audit fee of £5k in respect of 2018, this will be settled by the parent company.

4 Geographical analysis of turnover

All turnover for the years ended 31 December 2018 and 31 December 2017 is attributable to the United Kingdom.

5 Remuneration of Directors

The number of directors accruing retirement benefits was nil (2017: nil).

For the year ended 31 December 2018, two of the directors were remunerated through other group companies, the remaining director received no remuneration.

6 Staff numbers and costs

The company had no staff in 2018 and 2017.

IOP Enterprises Limited**Notes forming part of the financial statements for the year ended 31 December 2018
(continued)****7 Taxation on profit from ordinary activities**

	2018 £	2017 £
UK Corporation tax on profit for the year	-	-

Tax assessed for the year is lower (2017: lower) than the standard rate of Corporation tax in the UK for the year ended 31 December 2018 of 19% (2017: 19.25%). The differences are explained below:

	2018 £	2017 £
Profit before taxation	4,212	29,571
Profit multiplied by the standard rate of tax in the UK of 19% (2017: 19.25%)	800	5,692
Effects of:		
Transfer of taxable profits under gift aid to parent charity	(800)	(5,692)
Total tax charge for the year	-	-

At the reporting date there was no legal obligation in place for the company to make this gift aid payment, however, the payment is expected to be made within 9 months of the end of the reporting date. As the gift aid payment has not been made as at the year end, this results in the company recognising a taxation charge on its profits for the year. However, the application of the exception under paragraph 29.14A of FRS 102 effectively provides relief in respect of the accounting for the tax charge. This results in an overall nil charge for tax in the income statement. This exception is only applicable as it is probable that the gift aid payment will be made by the company to the parent charity within 9 months of the reporting date.

The company previously had a gift aid covenant in place with the parent charity. As there was a legal obligation in place for the company to make the gift aid payment, it was recognised in the year that the profit arose.

8 Charitable donation to Parent

	2018 £	2017 £
Gift aid payable in respect of the current year	(712)	29,571

The 2018 amount represents the release of the over accrual for gift aid at 31 December 2017.

IOP Enterprises Limited

Notes forming part of the financial statements for the year ended 31 December 2018 (continued)

9 Debtors

	2018 £	2017 £
Trade debtors	-	459
Amounts owed by group undertakings	7,814	7,103
	<u>7,814</u>	<u>7,562</u>

Amounts owed by group undertakings are interest-free and repayable on demand.

10 Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	510	1,119
Accruals and other creditors	1,988	5,986
	<u>2,498</u>	<u>7,105</u>

11 Financial instruments

The company's financial instruments may be analysed as follows:

	2018 £	2017 £
Financial assets		
Financial assets measured at amortised cost	8,394	8,077
Financial liabilities		
Financial liabilities measured at amortised cost	(2,498)	(7,105)

Financial assets measured at amortised cost comprise trade debtors, other debtors, amounts owed by group undertakings, and cash at bank.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, other creditors, accruals and amounts owed to group undertakings.

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Notes forming part of the financial statements for the year ended 31 December 2018 (continued)

12 Called up share capital

	Authorised		Allotted, called up and fully paid	
	2018 £	2017 £	2018 £	2017 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	1,000	1,000	2	2

13 Related party transactions

Key management personnel include all directors who have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid by the company to key management personnel for services provided to the company was nil (2017: £nil).

The company has taken advantage of the exemption conferred by FRS 102 "Related Party Disclosures" not to disclose transactions with wholly owned subsidiaries of the Institute of Physics.

14 Ultimate parent undertaking

The company is wholly owned by The Institute of Physics, which is a registered charity. Copies of The Institute of Physics' accounts may be obtained from The Institute of Physics, 37 Caledonain Road, London, N1 9BU.