

IOP Enterprises Limited

Report and Financial Statements

Year Ended

31 December 2017

Registered number
03471563



IOP Enterprises Limited

Annual report and financial statements for the year ended 31 December 2017

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Directors

Professor Julian Jones
Professor Paul Hardaker
Mrs Kate Meehan
Mr Peter Saraga

Registered office

76 Portland Place, London, W1B 1NT

Company number

03471563

Bankers

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

Auditors

PricewaterhouseCoopers LLP, 2 Glass Wharf, Bristol BS2 OFR

IOP Enterprises Limited

Report of the directors for the year ended 31 December 2017

The directors present their report and the audited financial statements for the year ended 31 December 2017. The directors' report 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 has been based on organising events making use of the Institute's own premises. The Institute of Physics' move to the King's Cross area signals an opportunity for a change in IOP Enterprises and an aspiration to look to the future with less dependence on building-based businesses. Also, given very limited available space in our current premises, it is particularly relevant to develop alternative income streams.

The main activity of IOP Enterprises in 2017 was to review a portfolio of potential new programmes for IOP Enterprises in line with the Institute's strategic plan to diversify its income, including business opportunities based on engaging a wider community of participants in some physics-driven activities, such as business-hub management and a broader programme of events. Some of these programmes may be outsourced through established providers working in partnership with us.

During 2017 IOP Enterprises continued to provide venue services to a limited number of external clients, whilst providing services to the Institute during the 'decamp' period.

For 2018 and foreseeable future, the activities of IOP Enterprises are expected to be limited.

The directors are pleased to report a turnover of £90,154 (2016: £88,012) for the year to 31 December 2017. An operating profit of £29,571 (2016: £24,881) was achieved. The company will remit to the Institute of Physics, by gift aid, the sum of £29,571 (2016: £24,881).

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

The directors do not recommend the payment of a dividend. (2016: no dividend)

Directors

The directors set out in the table below have held office during 2017 unless otherwise stated:

Professor Julian Jones
Professor Paul Hardaker
Mrs Kate Meehan
Mr Peter Saraga
Professor Stuart Palmer (resigned on 30 September 2017)
Mr Michael Bray (resigned on 31 December 2017)

IOP Enterprises Limited

Report of the directors for the year ended 31 December 2017 (*continued*)

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 the United Kingdom Generally Accepted Accounting Practice, (United Kingdom Accounting Standards and applicable law). Under company law 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

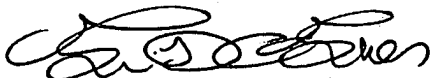
Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

A resolution to appoint PricewaterhouseCoopers 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 FOSA CPhys FInstP
Chair of the Board

Date:

18/9/2018

IOP Enterprises Limited

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

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 2017 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 Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; 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

We have nothing to report in respect of the following matters in relation to which 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.

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.

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 Report of the Directors, 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.

Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 31 December 2017 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 Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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 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

18 September 2018

IOP Enterprises Limited

Statement of income and retained earnings for the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover		90,154	88,012
Cost of sales		(41,116)	(40,994)
Gross profit		49,038	47,018
Administrative expenses		(19,467)	(22,137)
Operating profit	3	29,571	24,881
Profit on ordinary activities before taxation		29,571	24,881
Taxation on profit from ordinary activities	7	-	-
Profit on ordinary activities after taxation		29,571	24,881
Retained profits at 1 January		970	970
Profit for the financial year		29,571	24,881
Charitable donation to parent		(29,571)	(24,881)
Retained profits at 31 December		970	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 2017

	Note	2017 £	2016 £
Current assets			
Debtors	9	7,562	8,337
Cash at bank and in hand		515	125
		<u>8,077</u>	<u>8,462</u>
Creditors: amounts falling due within one year	10	(7,105)	(7,490)
		<u>972</u>	<u>972</u>
Net current assets			
		<u>972</u>	<u>972</u>
Net assets			
		<u>972</u>	<u>972</u>
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	970	970
		<u>972</u>	<u>972</u>
Shareholder's funds			
		<u>972</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 18 September 2018 and signed on their behalf by



Professor Julian Jones OBE FRSE FOSA CPhys FInstP
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 2017

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 76 Portland Place, London, W1B 1NT.

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

Taxable profits transferred to the parent entity, a registered charity, are recognised as distributions from 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 2017 and 31 December 2016, 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 2017 (continued)

3 Operating profit

This is arrived at after charging:	2017	2016
	£	£
Auditors' remuneration in respect of audit	2,500	2,500
	<hr/>	<hr/>

4 Geographical analysis of turnover

All turnover for the years ended 31 December 2017 and 31 December 2016 is attributable to the United Kingdom.

5 Remuneration of Directors

The number of directors accruing retirement benefits was nil (2016: nil).

For the year ended 31 December 2017, three of the directors were remunerated through other group companies and the remaining three directors received no remuneration.

No allocation of their total remuneration can be made.

6 Staff numbers and costs

The company had no staff in 2017 or 2016.

The employment and costs of employees engaged in IOP Enterprises Limited has been accounted for in the parent company.

IOP Enterprises Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

7 Taxation

	2017 £	2016 £
Tax charge for year	-	-

The company makes a qualifying donation of all taxable profits to The Institute of Physics. No corporation tax liability therefore arises in the accounts.

8 Gift aid payment

	2017 £	2016 £
Gift aid payable in respect of the current year	29,571	24,881

9 Debtors

	2017 £	2016 £
Trade debtors	459	5,666
Amounts owed by group undertakings	7,103	2,671
	7,562	8,337

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

IOP Enterprises Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

10 Creditors

	2017 £	2016 £
Trade creditors	1,119	1,749
Accruals and other creditors	5,986	5,741
	<u>7,105</u>	<u>7,490</u>

11 Financial instruments

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

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	8,077	8,462
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	(7,105)	(7,490)
	<u> </u>	<u> </u>

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.

12 Share capital

	Authorised		Allotted, called up and fully paid	
	2017 £	2016 £	2017 £	2016 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	1,000	1,000	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

IOP Enterprises Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (continued)

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 (2016: £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, 76 Portland Place, London, W1B 1NT.