

IP2IPO Guarantee Limited
Company Limited by Guarantee
Report and Financial Statements
Year ended 31 December 2014



Registered number: 06715039

IP2IPO Guarantee Limited
Company Limited by Guarantee

Annual report and financial statements for the year ended to 31 December 2014

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Directors

Alan Aubrey
Greg Smith

Secretary and registered office

Angela Leach

Floor 1
24 Cornhill
London
EC3V 3ND

Company number

06715039

Independent Auditor

KPMG LLP
15 Canada Square
London
E14 5GL

**IP2IPO Guarantee Limited
Company Limited by Guarantee**

Directors' Report for the year ended 31 December 2014

The directors present their report together with the audited financial statements for the year ended 31 December 2014.

Business review and principal activities

IP2IPO Guarantee Limited ("the Company") was incorporated on 3 October 2008 with the principal activity being to serve as an investment holding company.

The directors are satisfied that the business has performed satisfactorily for the period under review.

Results and dividends

The results for the year are presented on page 5. The directors do not recommend payment of a dividend (2013: £nil).

Future outlook

The directors believe the Company will continue to trade for the foreseeable future.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Company are considered to relate to the Company's role as a holding company within the IP Group plc ("IP Group") group. The principal risks and uncertainties are integrated with the principal risks and uncertainties of the larger group and are not managed separately. Further discussion of these risks and uncertainties, in the context of the group as a whole, is provided on page 34 of IP Group's annual report which does not form part of this report.

Financial instruments

The directors manage the risks inherent from holding equity instruments through the establishment of an investment appraisal process and asset monitoring procedure which are subject to overall review by the Board.

Key performance indicators ("KPIs")

The directors believe that reviewing the levels and movements in equity investments is the most appropriate way for an understanding of the development, performance or position of the business of the Company.

Directors

The directors of the company during the period were:

Greg Smith
Alan Aubrey

Charitable and political contributions

During the year the Company made no charitable or political contributions (2013: £nil).

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Directors' Report for the year ended 31 December 2014

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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.

Financial support

The immediate parent company, IP2IPO Limited, has confirmed its financial support to the company to providing funding up to £50,000 to enable the company to meet its obligations as they fall due for a period of not less than twelve months from the date of approval of these financial statements. The directors have therefore prepared the financial statements on a going concern basis.

Disclosure of information to the auditor

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

Auditor

Following an audit tender process completed during 2014, IP Group plc, the Company's ultimate parent, appointed KPMG LLP as auditor of IP Group plc and its subsidiaries (including IP2IPO Guarantee Limited). The tender was carried out after ten years of service by BDO LLP as the Group's auditor in accordance with UK corporate governance requirements.

ON BEHALF OF THE BOARD



Greg Smith
Director

28 September 2015

Independent auditor's report to the shareholder of IP2IPO Guarantee Limited

We have audited the financial statements of IP2IPO Guarantee Limited for the year ended 31 December 2014. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on 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 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

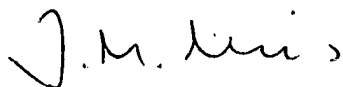
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' 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 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.



Jonathan Mills (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
28 September 2015

IP2IPO Guarantee Limited
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Profit and loss account for the year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover		-	-
Administrative expenses	3	(2,480)	(2,135)
Loss on ordinary activities before taxation	2	(2,480)	(2,135)
Taxation on loss on ordinary activities	6	-	1,852
Loss on ordinary activities after taxation	10	(2,480)	(283)

The Company has no recognised gains or losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented.

All amounts are derived from continuing operations in the year.

The notes on pages 7 to 9 form part of these financial statements.

IP2IPO Guarantee Limited
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Balance sheet as at 31 December 2014

Registered number: 06715039

	Notes	2014 £	2013 £
Current assets			
Trade debtors	9	1,852	1,852
Creditors: amounts falling due within one year	8	(12,175)	(9,695)
Net current liabilities		(10,323)	(7,843)
Total assets less current liabilities		(10,323)	(7,843)
Reserves			
Profit and loss account	10	(10,323)	(7,843)
		(10,323)	(7,843)

The notes on page 7 to 9 form part of these financial statements.

The financial statements were approved by the Board of directors and authorised for issue on 28 September 2015 and were signed on its behalf by:



Greg Smith
Director

IP2IPO Guarantee Limited
Company Limited by Guarantee

Notes to the financial statements for the year ended 31 December 2014

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006, and applicable United Kingdom accounting standards. A summary of the more important accounting policies which have been applied consistently throughout the year is set out below.

The financial statements have been prepared on a going concern basis as the Company's parent undertaking, IP2IPO Limited, has confirmed its intention to continue its financial support of the Company so as to ensure it is able to meet its liabilities as they fall due for at least a period of twelve months after the date of approval of these financial statements.

Deferred tax

Provision is made in full for deferred tax liabilities that arise from timing differences where transactions or events, that result in an obligation to pay more tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised to the extent that it is considered more likely than not that they will be recoverable. Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

Cash flow statement

The Company has taken advantage of the exemption conferred upon it by FRS 1 "Cash Flow Statements" (Revised 1996) not to prepare a cash flow statement whereby the cash flows of the Company are incorporated into those of the ultimate parent undertaking and these financial statements are publicly available.

Related party transactions

FRS 8 "Related Party Disclosures", requires the disclosure of the details of material transactions between the reporting entity and any related parties. However, transactions between the Company and other group companies including their associates and joint ventures have not been disclosed in accordance with the exemption in FRS 8 paragraph 3(c).

2. OPERATING LOSS

The loss on ordinary activities before taxation is stated after charging:

	2014 £	2013 £
Professional fees	2,480	2,135

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Notes to the financial statements for the year ended 31 December 2014

3. AUDITOR'S REMUNERATION

	2014	2013
	£	£
Audit services:		
Fees payable to company auditor for the audit of the financial statements	950	820
Non-audit services:		
Tax services	-	1,315
	950	2,135

Auditor's remuneration has been paid by another group company in the year. As noted in the Directors' Report the Company's auditor changed during the period from BDO LLP to KPMG LLP. BDO LLP remain engaged as corporate tax advisors. The comparative figures reflect amounts paid to BDO LLP.

4. EMPLOYEES

During the year the Company had no employees (2013: nil).

5. DIRECTORS' EMOLUMENTS

The directors are not remunerated for their roles as directors of IP2IPO Guarantee Limited.

6. TAXATION

The tax assessed for the year is different than the standard rate of corporation tax in the UK. Factors affecting the current tax charge for the year are explained below:

	2014	2013
	£	£
Loss on ordinary activities before tax	(2,480)	(2,135)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%)	(533)	(496)
Effects of:		
Movement on unutilised tax losses	533	496
(Over)/under provision in respect of previous years	-	(1,852)
Current tax charge/(credit) for the year	-	(1,852)

There is a potential deferred tax asset at 31 December 2014 of £923 (2013: £427) relating to carried forward trading losses. This asset has not been recognised in the financial statements due to current uncertainties surrounding the reversal of the underlying timing differences. The deferred tax asset would be recovered if there were future taxable profits from which the reversal of the underlying timing differences could be deducted.

7. FIXED ASSET INVESTMENTS

During the period the company continued to hold no fixed asset investments (2013: nil)

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Notes to the financial statements for the year ended 31 December 2014

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Amounts owed to group undertakings	(9,750)	(7,615)
Accruals and deferred income	(2,425)	(2,080)
At 31 December	(12,175)	(9,695)

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

9. DEBTORS

	2014 £	2013 £
Amounts owed to group undertakings	1,852	1,852
Accruals and deferred income	-	-
At 31 December	1,852	1,852

10. RESERVES

	Profit and loss account £
At 1 January 2014	(7,843)
Loss for the year	(2,480)
At 31 December 2014	(10,323)

11. COMPANY LIMITED BY GUARANTEE

IP2IPO Guarantee Limited is a company limited by guarantee and has no share capital. As at 31 December 2014 there was one member, being IP2IPO Limited. IP2IPO Limited was incorporated in the United Kingdom. The member, on a winding up of the Company, has undertaken to contribute up to £1 towards any deficit.

12. IMMEDIATE AND ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent company is IP2IPO Limited and the ultimate controlling party is IP Group plc. The immediate parent company and ultimate controlling party are registered in England and Wales. The results of the Company are consolidated in the group accounts of the ultimate parent company's financial statements. Copies of the ultimate parent company's financial statements may be obtained from the Secretary of IP Group plc, 24 Cornhill, London, EC3V 3ND.