

Turpion Limited

Annual report and financial statements

31 December 2017

Registered Number
02463452



Turpion Limited

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

Contents

Company Information	1
Directors' Report	2
Independent auditor's report to the shareholders of Turpion Limited	4
Statement of Income and Retained Earnings for the year ended 31 December 2017	7
Balance Sheet as at 31 December 2017	8
Notes to the accounts	9-14

Turpion Limited

Company Information

Directors

Steven Hall
Oliver Callaghan
Olaf Ernst

Auditors

PricewaterhouseCoopers LLP, 2 Glass Wharf, Bristol, BS2 0FR

Registered Office

Temple Circus
Temple Way
Bristol
BS1 6HG

Registered number

02463452

Turpion Limited

Directors' Report

The directors present their report and accounts for the year ended 31 December 2017.

Principal activities

The principal activity of the company throughout the year was that of publishers.

The directors do not recommend the payment of a dividend (2016: £nil).

Directors

The following served as directors during the year:

Steven Hall

Jamie Hutchins (Resigned 17 November 2017)

Oliver Callaghan

Olaf Ernst

Qualifying third party indemnity provision was in place throughout the year and is in place at the date of approval of these financial statements for the benefit of all Turpion Limited Board Directors.

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.

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.

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.

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.

Directors' Report (continued)

Disclosure of information to auditor

Each person who was a director at the time of the report was approved confirms that:

- So far as they are aware, there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information.

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and in accordance with section 485 of the Companies Act 2006 a resolution for their appointment will be proposed at the Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime. Accordingly no Strategic Report has been presented.

This report was approved by the board and signed by its order



Oliver Callaghan

Director

Date: 18/09/18

Opinion

In our opinion, Turpion 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 Annual 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.

Independent auditor's report to the shareholders of Turpion Limited (continued)

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 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 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 Directors' 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 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

Independent auditor's report to the shareholders of Turpion Limited (continued)

- 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.

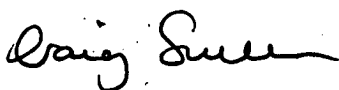
We have no exceptions to report arising from this responsibility.

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

Statement of Income and Retained Earnings for the year ended 31 December 2017

	Notes.	2017 £	2016 £
Turnover	3	2,614,622	2,446,660
Cost of Sales		(1,420,884)	(1,428,642)
Gross Profit		1,193,738	1,018,018
Distribution costs		(313,756)	(286,216)
Administrative Costs		(666,811)	(696,719)
Other operating income		-	240
Operating profit	5	213,171	35,323
Interest receivable		2,255	3,572
Profit on ordinary activities before taxation		215,426	38,895
Tax on profit	6	-	-
Profit on ordinary activities after taxation		215,426	38,895
Profit for the financial year		215,426	38,895
Retained profits at 1 January		250,001	250,001
Profit for the financial year		215,426	38,895
Gift aid payment	7	-	(38,895)
Retained profits at 31 December		465,427	250,001

All amounts relate to continuing activities.

There was no other comprehensive income for 2017 (2016 - £nil).

The notes on pages 9 to 14 form part of these financial statements.

Turpion Limited**Balance Sheet as at 31 December 2017**

Company Number 02463452

	Notes	2017 £	2016 £
Fixed Assets			
Tangible assets	8	2,182	3,117
Investments	9	3,061	3,061
		<u>5,243</u>	<u>6,178</u>
Current Assets			
Debtors	10	1,165,205	1,516,351
Cash at bank and in hand		1,997,938	2,211,581
		<u>3,163,143</u>	<u>3,727,932</u>
Creditors: amounts falling due within one year	11	(2,702,957)	(3,484,107)
Net Current Assets		<u>460,186</u>	<u>243,825</u>
		<u>465,429</u>	<u>250,003</u>
Capital & reserves			
Called up share capital	13	2	2
Profit and Loss account	14	465,427	250,001
Shareholders' funds		<u>465,429</u>	<u>250,003</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 FRS 102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Oliver Callaghan

Director

18 September 2018

The notes on pages 9 to 14 form part of these financial statements.

1 Accounting policies

Turpion Limited is a private limited company incorporated in England. The registered office is Temple Circus, Temple Way, Bristol, BS1 6HG.

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102 1A Small Entities.

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.

The company has taken advantage of the exemption conferred by FRS 102 not to prepare a cash flow statement, as the ultimate parent undertaking, the Institute of Physics, prepares a consolidated cash flow statement.

The preparation of financial statements in compliance with FRS 102 Section 1A Smaller Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

Turnover

Turnover represents sales to external customers in line with the fair value of content delivered less value added tax. The majority of turnover represents income from production of in-house and external partner journals with most of this received in advance and recognised in line with the fair value of content delivered.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation.

Depreciation

Depreciation has been provided at the following rates in order to write off assets over their estimated useful lives:

Office equipment	20% straight line
Computer equipment	20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Deferred taxation

Full provision is made for the deferred taxation resulting from the timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Foreign currencies

Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which it operates (the functional currency). The financial statements are presented in sterling which is the company's functional and presentational currency.

Transactions and balances

Transactions are translated into the entity's functional currency using the average monthly exchange rate. Gains or losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities dominated in foreign currencies are recognised in the profit or loss.

1 Accounting policies (continued)

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.

The comparative results have been re-stated to present taxable profits distributed in line with the above policy instead of as an expense in the Statement of Income and Retained Earnings.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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.

Group Accounts

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

2 Significant judgements and estimates

Preparation of the financial statements requires the Directors to make significant judgements and estimates. The items in the financial statements where these judgements have been made include revenue recognition on contracts spanning multiple years. Income from production of in-house and external partner journals with a majority of income received in advance is recognised in line with the fair value of content delivered. Judgement is required in the recognition of revenue where contracts with customers span multiple years.

3 Turnover

	2017	2016
Turnover attributable to geographical markets outside the UK	99.1%	98.8%

4 Directors' Remuneration

The average number of directors of the company during the year was four (2016: four). None of the directors received any remuneration from the company during the current or prior year and no apportionment of their remuneration from fellow group companies can be made. The average number of persons employed by the company (not including Directors) during the year was nil (2016: nil).

Turpion Limited

Notes to the accounts for the year ended 31 December 2017 (continued)

5 Operating profit

This is stated after charging:

	2017 £	2016 £
Depreciation of owned fixed assets	935	935
Auditors' remuneration	<u>7,500</u>	<u>7,966</u>

6 Taxation

	2017 £	2016 £
UK corporation tax	<u>-</u>	<u>-</u>

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

7 Gift Aid paid

	2017 £	2016 £
Gift Aid to IOP	<u>-</u>	<u>38,895</u>

8 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Total £
Cost			
At 1 January 2017	12,052	19,554	31,606
At 31 December 2017	<u>12,052</u>	<u>19,554</u>	<u>31,606</u>
Depreciation			
At 1 January 2017	12,052	16,437	28,489
Charge for the year	-	935	935
At 31 December 2016	<u>12,052</u>	<u>17,372</u>	<u>29,424</u>
Net book value			
At 31 December 2017	<u>-</u>	<u>2,182</u>	<u>2,182</u>
At 31 December 2016	<u>-</u>	<u>3,117</u>	<u>3,117</u>

Turpion Limited

Notes to the accounts for the year ended 31 December 2017 (continued)

9 Investments

	Investments in subsidiaries undertakings £
Cost	
At 1 January 2017	3,061
At 31 December 2017	<u>3,061</u>

Turpion-Moscow Limited is incorporated in the Russian Federation with its registered address being 8 Gubkina Street, Room 915, Moscow 119991, Russia. The company owns 100% of its share capital.

10 Debtors

	2017 £	2016 £
Amounts due from group undertakings	1,115,386	1,458,641
Prepayments	1,789	11,105
Other Debtors	48,030	46,604
	<u>1,165,205</u>	<u>1,516,351</u>

Amounts due from group undertakings are interest free and repayable on demand.

Independent Auditors' report to the members of Turpion Limited (continued)

11 Creditors: amounts falling due within one year

	2017 £	2016 £
Deferred Income: Subscriptions in advance	545,709	925,031
Accruals	429,399	470,773
Other creditors	1,727,849	2,049,408
Amounts due to group undertakings	-	38,895
	<u>2,702,957</u>	<u>3,484,107</u>

Amounts due to group undertakings are interest free and repayable on demand.

12 Financial Instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	<u>3,113,324</u>	<u>3,670,221</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,157,248)</u>	<u>(2,559,076)</u>

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

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

13 Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
1 "A" share of £1 each	1	1
1 "B" share of £1 each	1	1
	<u>2</u>	<u>2</u>

The "A" share and "B" share rank pari passu in all respects.

14 Profit and loss account

	2017 £	2016 £
At January	250,001	250,001
Profit for the year	215,426	38,895
Gift aid	-	(38,895)
At 31 December	<u>465,427</u>	<u>250,001</u>

15 Ultimate controlling party

Turpion Limited is a wholly owned subsidiary of IOP Publishing Limited.

As IOP Publishing Limited is wholly owned by the Institute of Physics, they are the ultimate controlling party. The smallest and largest group of undertakings for which group accounts are drawn up is the Institute of Physics. The accounts are publically available from the registered office of the Institute of Physics, 76 Portland Place, London, W1B 1NT.

16 Related party transactions

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.