

Airmic Limited

Registered Number: 01345758

Annual Report and Accounts

For the year ended 31 December 2019

A company limited by guarantee

Airmic Board and Management

Directors	Tim Murray LLB (Hons), ACII, ACILA, SIRM	Chairman from 25.06.19 to 10.06.20
	Tracey Skinner ACII, AIRM	First Deputy Chairman to 25.06.19
	Lynda Lucas BSc, MBA, ACIS	Chairman from 10.06.20
	Claire Combes ACA	First Deputy Chairman from 05.06.19 to 10.06.20
	Timothy Graham FCA, ACII, MIRM, MBA	Chairman to 25.06.19
	Emily Jenner BSc (Hons)	Resigned 08.04.20
	John Ludlow CFIRM	Second Deputy Chairman from 05.06.19 to 01.11.19
	Colin Barker BA (Hons) FCMA, CGMA, FCG	First Deputy Chairman from 10.06.20
	Clive Clarke	Second Deputy Chairman from 01.11.19 to 10.06.20
	Fiona Davidge LLB (Hons), FIRM, MBCI	Appointed 22.03.19
Officers	Mark Dawson ACII, Chartered Insurance Practitioner	Second Deputy Chairman from 10.06.20
	Paul Goulding	Chief Executive Officer
	Lesley Harding	Resigned 15.07.20
	Alison Hill MBA, BSc (Hons), CGMA, ACMA, IRMCert	Resigned 31.03.19
	Nicholas Hughes BA (Law), MRAS	Appointed 22.03.19
	James Kelly AMCT, FCA, MA	Appointed 22.03.19; Resigned 10.08.20
	Aileen Lowe BA, ACII, MBA	Resigned 08.04.20
	Xavier Mutzig LLM	Honorary Secretary
	Kathryn Wallin	Honorary Treasurer
	Nicholas Hughes BA (Law), MRAS	Deputy CEO & Technical Director
Secretariat	Timothy Graham FCA, ACII, MIRM, MBA	PA to CEO and Deputy CEO
	Julia Graham FCII, Chartered Insurance Risk Manager, FBCI	Market Development
	Yogini Patel / Lynda Kameche	Research
	Georgina Wainwright BSc (Hons), ACII /	Learning & Development
	Alexander Frost MA, ARM	Events
	Richard Cutcher BA (Hons)	Digital
	Hoe-Yeong Loke BSc, MSc	Membership
	Adam Ireland BSc (Hons), MA, Chartered MCIPD	Training & Networking Administration
	Suzan Ozkurt	Finance & Corporate Services
	Matthew Goldsmith	Accounts
Special Responsibilities	Olabisi Porteous LLB (Hons)	Communications
	Eleanor Bounds BSc (Hons)	Principal of the Airmic Academy
	Lesley Davies BA (Hons), CPFA	Airmic News/ Talks & Captives Ambassador
	Natalia Selter MAAT	
Special Responsibilities	Jessica Titherington MA	
	Patrick Smith	
	Richard Cutcher BA (Hons) (from 01.01.20)	

The Directors' Report

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 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 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.

Principal Activities

The principal activities of the company continued to be developing excellence in business risk management and supporting the effective use of insurance. The directors are of the opinion that the results should be disclosed within an income and expenditure account rather than a profit and loss account as this better reflects the nature of the company's activities.

Charitable Donations

The company made charitable donations of £1,000 in the year (£1,000 in 2018) in connection with the annual Conference and the Chairman's charity.

Directors

The directors as set out on page 2 under Airmic Board & Management held office during the whole of the period from 1 January 2019 to the date of this report unless otherwise stated. Executive and professional liability insurance, including directors' indemnity insurance was in place during the year.

Auditor

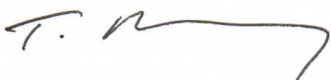
Moore Kingston Smith LLP have indicated their willingness to continue in office. A resolution to reappoint Moore Kingston Smith LLP as auditor to the company and to authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

Statement of Disclosure to Auditor

So far as the directors 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 directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board of directors and signed on their behalf by:



Tim Murray

Chairman (25.06.19 to 10.06.20)

Date: 19th Oct 2020

Independent Auditor's Report to the Members of Airmic Limited

Opinion

We have audited the financial statements of Airmic Limited for the year ended 31 December 2019 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Luke Holt

(Senior Statutory Auditor) for and on behalf of *Moore Kingston Smith LLP, Statutory Auditor*

Date: 2020

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Income and Expenditure Account

For the year ended 31 December 2019

		2019	2018
	Note	£	£
Income	1	2,161,099	2,204,257
Direct expenses		646,794	694,872
Gross Surplus		1,514,305	1,509,385
Other operating expenses		1,513,474	1,440,990
Operating Surplus	3	831	68,395
Bank interest receivable		14,087	6,044
Surplus on Ordinary Activities Before Taxation		14,918	74,439
Taxation	5	39,312	14,040
Surplus on Ordinary Activities After Taxation		(24,394)	60,399
Income and Expenditure Account Brought Forward		1,308,980	1,248,581
Income and Expenditure Account Carried Forward		1,284,586	1,308,980

The operating surplus for the year arises wholly from the company's continuing activities.

No separate Statement of Changes in Equity has been presented as there are no recognised gains or losses other than as set out in the Income and Expenditure Account.

Balance Sheet

As at 31 December 2019

	Note	2019 £	2018 £
Fixed Assets			
Intangible assets	6	21,536	17,878
Tangible assets	7	198,807	369
Cash held on deposit		300,840	801,426
Investments	8	2	2
		521,185	819,675
Current Assets			
Debtors	9	1,035,602	1,156,102
Cash at bank and in hand		1,224,403	1,132,897
		2,260,005	2,288,999
Current Liabilities			
Creditors: amounts falling due within one year	10	1,496,604	1,799,694
Net Current Assets		763,401	489,305
Total Assets Less Current Liabilities		1,284,586	1,308,980
Reserves			
Income and Expenditure Account	12	1,284,586	1,308,980

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102.

Approved by the board of directors, authorised for issue and signed on their behalf by:



Tim Murray
Chairman (25.06.19 to 10.06.20)
Registered Number 01345758

Date: 19th October 2020

Statement of Cash Flows

For the year ended 31 December 2019

	2019		2018	
	£	£	£	£
Surplus (Deficit) Before Taxation		14,918		74,439
Adjustment for Non-Cash Items:				
Depreciation	31,012		633	
Amortisation	12,597		61,103	
Adjustments for Other Non-Operating Items:				
Interest on Investments	(14,087)		(6,044)	
Corporation Tax Paid	-		(21,175)	
Deferred Tax Charge	(39,312)	(9,790)	7,135	41,652
Adjusted Deficit / Surplus		5,128		116,091
Movements in Working Capital:				
(Increase)/Decrease in Debtors	120,500		(87,402)	
Increase/(Decrease) in Creditors	(303,090)	(182,590)	108,246	20,844
Cash Generated from Operations		(177,462)		136,935
Investing Activities:				
Purchase of Fixed Assets	(245,705)		(18,317)	
Interest Received	14,087	(231,618)	6,044	(12,273)
Net Cash Flow		(409,080)		124,662
Total cash brought forward		1,934,323		1,809,662
Cash held on deposit	300,840		801,426	
Cash at bank and in hand	1,224,403		1,132,897	
Total cash carried forward		1,525,243		1,934,323

Notes to the Financial Statements

1. Accounting Policies

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

As outlined in Note 16, Post Balance Sheet Events, the coronavirus pandemic will result in a significant loss in 2020. This is principally due to the cancellation of the annual conference and exhibition, which was scheduled to have taken place in Edinburgh in June, although the loss has been mitigated somewhat by the delivery of a substitute, digital, event in September. Having moved rapidly to digitise the benefits enjoyed by our members and sponsors throughout our programme, our underlying business remains strong. New sponsors have joined, and member numbers are rising, albeit that member income is under target due to the concessions introduced to preserve and enhance the member base for the future.

Looking ahead, the ongoing threat of COVID-19 presents a challenge to our June 2021 conference and exhibition in Manchester, for which we will make contingency plans, drawing upon the experience gained in 2020.

Forecasts show, that with reserves of nearly £1.3M, prudent financial management has placed Airmic in a strong position to absorb the financial impact of the pandemic, whilst working to consolidate and develop our business model for the future. The directors therefore consider it appropriate to prepare the accounts on a going concern basis, as they believe that the company will be able to continue in business, and meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of the financial statements.

Income and Expenditure Account

As the company is not trading for profit, an income and expenditure account is presented, as the directors are of the opinion that this more appropriately shows a true and fair view of the Association's activities.

Turnover

Turnover represents membership subscriptions received and income receivable from events and services arranged by the association (net of VAT). All turnover results from activities in the UK.

Investments

Investments in subsidiary undertakings are included at cost less impairment.

Intangible Fixed Assets

Intangible fixed assets comprise website and computer systems development costs. Amortisation is provided on Intangible fixed assets on a straight-line basis over 2 – 4 years, depending upon an assessment of the likely useful life of the asset at the time of purchase. All website development costs meeting the revenue-raising requirement are capitalised. The capitalisation threshold for computer systems is £5,000.

Tangible Fixed Assets

Depreciation is provided on tangible fixed assets on a straight-line basis at rates between 50% and 20%, calculated to amortise the cost of each asset to its residual value over its expected useful life, between two and five years respectively. Computers and audio-visual equipment are written off over 2 years; office refurbishment and fixtures and fittings costs are written off over 5 years or the remaining term of the office lease, whichever is the shorter. Capitalisation thresholds are £1,000 for computers, audio visual and office equipment, furniture and fittings and £5,000 for office refurbishment costs.

Critical Accounting Estimates and Areas of Judgement

In the application of the company's accounting policies, the directors make judgements, estimates and assumptions about the book value of assets and liabilities based upon historical experience and other factors considered to be relevant. The annual amortisation and depreciation charges for fixed assets are sensitive to changes in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances. Revisions are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Notes to the Financial Statements continued...

1. Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and current and fixed term bank deposits maturing in less than 90 days.

Financial Instruments

The company has elected to apply the provisions of section 11 'Basic Financial Instruments' to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Basic financial instruments are recognised at transaction value and subsequently adjusted for impairment except for investments which are initially measured at transaction price and subsequently at fair value.

Operating Leases

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

Pension Costs

The company contributes to the personal pension schemes of its employees. The cost of making such contributions is charged to the income and expenditure account in the year to which it relates.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any material unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Exemption from Group Accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its dormant subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

Deferred Taxation

Deferred taxation is provided on all timing differences. Deferred taxation balances have not been discounted.

Functional Currency

The functional and presentational currency of the company is the pound sterling. Amounts are rounded to the nearest pound.

Foreign Currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date.

2. Company Status and Control

The association is incorporated as a company in England and Wales limited by guarantee (so does not have share capital). Every member of the board which governs the association is a guaranteeing member of the association. In total, there were 1,244 guaranteeing members at 31 December 2019, the balance sheet date (2018: 1,134 guaranteeing members), and in the event of the company being wound up the maximum amount which each member is liable to contribute is £1.

Notes to the Financial Statements continued...

3. Operating Surplus

		2019	2018
The operating surplus is stated after charging:		£	£
Depreciation / amortisation and amounts written off tangible and intangible fixed assets (note 6, 7)		43,609	61,735
Auditor's remuneration:			
- Audit services current year		8,900	8,600
- Other services current year		2,505	2,375
Operating lease rentals:			
- Equipment		5,108	5,910
- Land and buildings		75,151	60,420

4. Employees and Directors

		2019	2018
The average number of directors (paid and unpaid members of the board) and staff employed by the association during the year was:			
Directors (board members)		17	16
Staff		10	9
		27	25

Staff costs for the above:

	£	£
Salaries	780,516	691,029
Redundancy and termination payments	5,000	-
Social security costs	92,671	83,619
Pension costs and other staff benefits (note 14)	63,244	57,949
Recruitment and training	12,742	23,368
	954,173	855,965

The aggregate amount of directors' remuneration for the year amounted to £187,374 (2018: £182,112). No retirement benefits were accrued by directors. The figure for pension costs and other staff benefits included in note 4 includes salaries sacrificed to pensions. The total remuneration for key management personnel (salaries and employee benefits) amounted to £417,640 (2018: £408,734). Key management personnel are defined as persons having authority and responsibility for planning, directing and controlling the activities of the association, including directors and senior management personnel to whom the directors have delegated significant authority or responsibility in the day-to-day running of the association's affairs.

5. Taxation

	2019	2018
	£	£
United Kingdom corporation tax on non-member activities at 19% (2018: 19%)	-	21,175
Deferred tax charge in the year	39,312	(7,135)
	39,312	14,040

Airmic Ltd is only taxed on non-Member activities. Activities transacted with Members are not subject to Corporation Tax.

Notes to the Financial Statements continued...

6. Intangible Fixed Assets

	Website and Computer Systems £
Cost at 1 January 2019	192,435
Additions during the year	16,255
Disposals during the year	(8,040)
Cost at 31 December 2019	200,650
Accumulated amortisation at 1 January 2019	174,557
Charge for the year	12,597
Disposals	(8,040)
Accumulated amortisation at 31 December 2019	179,114
Net book value at 31 December 2019	21,536
Net book value at 31 December 2018	17,878

7. Tangible Fixed Assets

	Office Refurbishment Fixtures and Fittings & Computer Equipment £
Cost at 1 January 2019	130,110
Additions during the year	229,450
Disposals during the year	(123,564)
Cost at 31 December 2019	235,996
Accumulated depreciation at 1 January 2019	129,741
Charge for the year	31,012
Disposals	(123,564)
Accumulated depreciation at 31 December 2019	37,189
Net book value at 31 December 2019	198,807
Net book value at 31 December 2018	369

Notes to the Financial Statements continued...

8. Fixed Asset Investments

	Airmic (II) Ltd £ 2
Cost and net book value at 1 January 2019 and 31 December 2019	
Investments at 31 December 2019 comprised a 100% interest in the issued ordinary share capital of Airmic (II) Limited, a dormant company registered in England and Wales.	

9. Debtors

	2019 £	2018 £
Trade debtors	658,099	824,142
Other debtors	22,110	18,585
Prepayments and accrued income	355,393	313,375
	1,035,602	1,156,102

The decrease in trade debtors is due to a post balance sheet adjustment relating to the cancellation of the 2020 Annual Conference due to the COVID-19 pandemic. The increase in prepayments reflects differing deposit payment schedules between Conference venues and timing differences in supplier invoicing around the turn of the year. Accrued income also increased, as a result of a new income stream.

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	157,591	194,495
Corporation tax	-	21,175
Deferred Tax (Note 11)	41,296	1,984
Other Creditors	165,538	25,000
Tax & social security	249,425	213,610
Accruals	100,075	24,890
Deferred income	782,679	1,318,540
	1,496,604	1,799,694

The decrease in trade creditors is a combination of timing differences in routine supplier invoices either side of the year end and invoices for projects underway at 31.12.18 which were not applicable at the reporting date. The rise in tax and social security was due to variations in timing of invoices between the third and fourth quarters (VAT) and reduced staff vacancies (PAYE) compared to the preceding year. Accruals increased mainly because one supplier invoice was delayed beyond the 2019 year end; additionally, accruals included a pension creditor of £4,030 (nil in 2018). Deferred income recognised in 2018 was entirely released in the 2019 year; the decrease in deferred income and the increase in other creditors mainly reflect post balance sheet adjustments relating to the cancellation of the 2020 Annual Conference due to the COVID-19 pandemic. Financial liabilities measured at amortised cost included in the above total £257,666 (2018: £219,385).

Notes to the Financial Statements continued...

11. Provisions - Deferred Tax

	£
Balance brought forward at 1 January 2019	1,984
Amount charged to income and expenditure in the period	39,312
Balance carried forward at 31 December 2019	<u>41,296</u>

Deferred tax arises on timing differences from capital allowances.

12. Reserves

Income and Expenditure Account

	£
Balance at 1 January 2019	1,308,980
Surplus for the year	(24,394)
Balance at 31 December 2019	<u>1,284,586</u>

Airmic has a Reserves Policy set within the context of its risk management and strategic planning processes. Reserves mitigate financial risks and provide funding for future projects to be identified through the strategic planning process. The Policy is reviewed annually by the Finance Committee and the Board to ensure that it meets changing needs and circumstances. The level of reserves at 31 December 2019 falls within the parameters set by the policy.

13. Commitments under Operating Leases

At 31 December 2019, the company's total future minimum commitments under operating leases were as follows:

	Land and Buildings		Other	
	2019	2018	2019	2018
	£	£	£	£
Commitments due:				
in less than 1 year	55,733	34,953	6,174	4,042
in 1-5 years	285,633	-	4,843	5,519

14. Pension Commitments

The company contributes 7.5% of pensionable salaries to the personal pension schemes of its employees. The cost of company contributions to group schemes during the year amounted to £29,526 (2018: £26,158), including savings on employer National Insurance on sacrificed salaries passed on to employees (but excluding salaries sacrificed to pensions). The increase was due to more staff in post during 2019 (fewer vacancies).

15. Transactions with Related Parties

In 2019, £8,040 was paid to Holman Fenwick Willan LLP for legal and professional fees. Nicholas Hughes, director and Honorary Secretary to Airmic, was a partner in this firm (related party transactions 2018: £8,875).

Notes to the Financial Statements continued...

16. Post Balance Sheet Events

The Covid-19 crisis, which occurred after the end of the reporting year, has caused considerable disruption to the Airmic business plan and budget performance in 2020. Airmic has shown considerable agility by successfully transforming the activities and benefits that members and sponsors enjoy onto digital platforms. Our relationships and reputation have remained strong, and key underlying trends are positive. Whilst income from membership subscriptions is significantly below target, member numbers are rising, as concessionary schemes have been introduced to protect and grow our member base for the future. We are also attracting new partner sponsors. However, our annual conference and exhibition, which would have taken place in Edinburgh in June 2020, was cancelled. The financial impact from the loss of this event has been partially mitigated through commercial negotiations and the development of a similar less profitable digital event. We have minimised cancellation fees for other venue hire contracts, such as for the Annual Dinner, by reaching agreements with the venues concerned. Despite these measures, the pandemic will cause a significant loss in 2020, and potentially also in 2021, with contingency plans being made for the annual conference and exhibition scheduled for June 2021 in Manchester. These losses will be covered by our reserves.

Airmic Limited

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Email: accounts@airmic.com