


airmic

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Annual Report

The background of the image is a blurred financial market display. It features a candlestick chart with white and grey bars, overlaid with a white line graph that trends upwards from left to right. Various green and yellow numbers are scattered across the background, including '+25.50', '+22', '+7.19', '21', and '200'.

“if you don't risk
anything, you risk
even more.

Erica Jong

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who we are and what we do.

The Purpose of Airmic is to represent organisations and individual Members with a shared interest in championing the strategic and societal value of risk management and insurance in a dynamic world.

The Mission of Airmic is to drive the transformation of risk management and insurance through providing Members with professional development, thought leadership, networking, and advocacy supported by our Partners, affiliate organisations and public bodies.

redefining the strategic and societal value of managing risk and insurance.



airmic in summary.

Member numbers	Over 1,750 up by 12.5%
Partnerships	Flourishing and growing
CPD hours	Over four hundred offered
Business Excellence Programme	Fully subscribed
Annual Conference	Full format back in 2022
Annual Dinner	Full format back in 2022
Leadership Masterclass Series	NEW in 2022
Research and Thought Leadership	NEW in 2022 - fourteen publications
Ukraine Resource Page	NEW in 2022
Friday Reading	NEW in 2022 - Friday Reading Search (Archive)
Captives Forum	NEW in 2022
Island of Ireland Forum	NEW in 2022
Excellence Awards	NEW in 2022

the twelve months of airmic in 2022.

“ At the start of 2022, few predicted that Russia would follow through the build-up of its troops at the border and invade Ukraine, and few predicted the combined economic hits of an increase in interest rates, inflation, and the cost of energy, the magnitude of the consequences for women in Afghanistan following the withdrawal of US troops, the impact of high temperatures globally, unprecedented floods and ice storms. Connected with supply chain disruption as the world competes for resources, and technology developments emerging at a breathtaking pace, there is the constant opportunity for global news feeds to seem very gloomy. But I was far from gloomy.

It's become a habit to say that 2022 was a year like no other, but 2022 was a year like no other. Yet, it was also a year when risk professionals were leaning in and stepping up to help guide and support the leadership of the organisations they work for and changing the risk conversation from what we can't do to what we can do. It was a year when Airmic provided relevant learning, networking, events, publications, and online resources for members to support their growing role at all stages of their professional journey.




Tim Graham
Chair, airmic

The voice of Airmic is being heard by Government, regulators, and other professional bodies. We have an engaged and diverse Board, an active Executive and Committees, and an amazing Airmic team.

However, nothing would be worthwhile without our members and their engagement, and little could be achieved without our partners and their support. We appreciate and value them all.

The risks and opportunities our members face continue to grow in complexity and at an increasing pace of change. Our response will also continue to grow and change. We will consider new business opportunities yet nurture what we have.

Airmic entered 2023, our Diamond Anniversary year, looking beyond the horizon with optimism and with our members and our partners by our side.

A high-resolution photograph of Earth from space, showing the curvature of the planet and the thin blue atmosphere. The surface is covered in white clouds and dark landmasses. In the lower right, city lights are visible as small yellow and white specks against the dark land.

“ Change is the law of life. And those who look only to the past or the present are certain to miss the future.

John F Kennedy 1963



airmic delivering growth with sustainable value.

“ The management of risk has matured significantly in the last five years with an increase in Airmic members reporting they have access to the C-Suite and the Board with sponsors or champions in both. However, the relationship with business peers has some way to go to match the increase in risk connectivity and complexity and the impacts of systemic risk our member organisations are experiencing. Risk professionals cannot just ‘stay in their lane’.

Our members will continue to push open the door to recognition of risk professionals as specialists and strategic advisors to their organisations. However, they must continue to work on cross-functional and integrated plans for monitoring and responding to the risks their organisations face. Demonstrating value is too late after an event has occurred. Scanning the horizon of risk trends and the risks and opportunities within and connected across trends is part of dynamic risk management. If the Financial Reporting Council (FRC) is serious in proposals for audit and governance reforms, they must acknowledge that dynamic risk management cannot function in an environment where audit and governance are out of synchronisation.



Julia Graham
CEO, airmic

In 2022 Airmic started work in partnership with the Chartered Institute of Internal Audit (CIIA) on why risk and internal audit professionals need to relook at the way they collaborate to build resilience amid rising geopolitical risks. In 2022 we also started a collaboration with the Association of Chartered Certified Accountants (ACCA) and the Professional Risk Managers' International Association (PRMIA) to take a deep dive into what risk culture means and find out to what extent risk and accountancy professionals understand its impact on business performance.

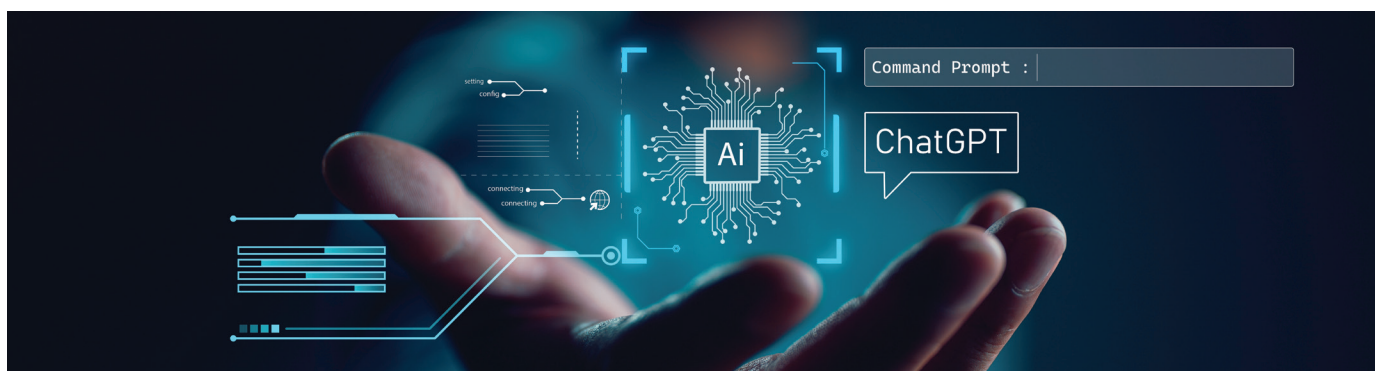
With new players entering the Insurance Market and acceleration of digital trends, we urged the Market to consult and collect customer feedback and make the changes they want for a frictionless customer experience. This way the Market will reap the rewards of customer satisfaction and loyalty. Offerings must Innovate using new technology and the smart use of AI to ensure products and services respond to changing customer needs quickly and effectively.



“ Risk professionals cannot just ‘stay in their lane’. Our members will continue to push open the door to recognition of risk professionals as specialists and strategic advisors to their organisations.

serving our members.

“ Airmic will encourage more of our brightest students to enter the profession and we must create a more inclusive pipeline of talent for senior risk and insurance roles. Corporates, governments and individuals, are hungry for the opportunity new technologies present. As we stand on the cusp of a new era of transformational change and wonderful opportunity it is crucial for our whole profession to upskill, and to embrace and understand these new technologies and how to ethically adopt them.

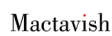


“ I have been a member of Airmic for 2 years and have found our Company membership to be invaluable as a young professional. Not only has the membership afforded me the opportunity to broaden my professional network through attending the Fastrack Forum and Annual ERM Forum, Airmic's membership allows me to keep abreast of developments in the risk management space, such as insurance regulation, cyber risk and ESG. What stands out about Airmic is the breadth of topics they cover, from prevalent political issues, to technology and global macroeconomic outlooks, there is something for every risk professional to benefit from.

“ Airmic membership benefits my professional development as I get to work with Airmic on the issues of the day. I attend a lot of sessions which give me the opportunity to hear from peers and thought leaders to make sure I'm not missing anything and remain at the cutting edge of best practice.



collaborating with our partners.



environmental, social and governance. (ESG)

With growing global concern surrounding the achievement of the United Nations' (UN) Sustainable Development Goals (SDGs) by 2030, all organisations are increasingly interested in understanding how they manage their material environmental, social and governance (ESG) opportunities and risks, and how they deliver positive ESG impact. Internally, Airmic recognises that an understanding and integration of ESG factors into our strategic decision-making is increasingly critical to the long-term viability of our association.

Externally, we are conscious of the role risk management and insurance have to play in managing ESG and the connectivity with Risk Management in our Member and Partner organisations.

Airmic is starting small but starting smart and will focus initially on four Target Areas and Two Pillars.

Target Areas	Internal	External
Climate action	Survey scope	Partner climate action
Gender equality	Team diversity	Event programme diversity
Health and wellbeing	Wellbeing programme	Partner and industry initiative profile
Resilience	Thought Leadership agenda	Resilient cities and communities
Pillars		
Investments	Investment Policy	
Governance	Board diversity	

In 2023, we will develop the Target Areas and Pillars, define metrics, and produce associated reporting.

Airmic has nominated a Board member to act as ESG Ambassador.

The CEO will work with the Ambassador on the targets, pillars, and associated reporting.

culture, behaviours, and risk appetite.

Culture aligns with the Airmic Purpose and Mission and is embedded in our values, assumptions, and behaviours. A clear position on culture is crucial to support decision-making across Airmic and the achievement of our objectives. It is the glue that makes Airmic unique. If we get culture right, everything else will follow. Culture is a business enabler, and a clear link between culture and achievement of team objectives was demonstrated in 2022. Team Key Performance Objectives (KPOs) have a cultural dimension.

Airmic team performance is accelerating Airmic Member and Partner growth, improving Member engagement, delivering the improved technical and business maturity of our team, reinforcing our commitment to diversity, equity, and inclusion, and helping to build the Airmic brand and reputation.

Risk Culture describes the values, beliefs, knowledge, attitude, and understanding about risk. Risk Appetite sets expectations for consistency of approach and provides part of the foundation for culture and risk culture. A clear understanding of the culture will increase the success of a Risk Appetite in practice because it will support effective leadership, communications, and governance systems. Risk Appetite is an inherent part of human decision-making and, in an organisational context, should be considered explicitly when comparing the potential outcomes of decision alternatives. It also plays a key role in the way reasonable assurance over the adequacy of risk management is formed and communicated to the Board – with emphasis on balanced risk-taking within agreed limits.

airmic culture and behaviours

Empowering / Inclusive / Trusting / Collaborative / Caring / Welcoming / Innovative / Courageous / Challenging /
Transparent / Friendly / Professional / Passionate / Respectful / Ambitious / Agile / Attentive

risk appetite is part of the Airmic decision-making framework.

culture, risk culture, and risk appetite are mutually supportive.

risk.

The definition of risk used by Airmic is “the effect of uncertainty on objectives”.

The Airmic Risk Management System comprises principles, a framework and processes aligned with the international standard ISO 31000: 2018.

Managing emerging risks is part of airmic’s risk management system and includes changes in circumstances or conditions related to multiple aspects of Airmic’s external context and the implications on its internal context.

Effective development and delivery of Airmic’s strategic objectives and Business Plan, and its ability to seize new and emerging opportunities, and to ensure its longer-term survival, depend upon the identification, understanding, and response to the risks it faces.

Risks and controls are considered at individual and connected levels.

The assessment of risks is part of the Airmic strategic and business planning processes and supports better decision-making, to ensure the Board, Executive and Airmic team respond promptly to risks and to ensure stakeholders are well informed about the principal and emerging risks and prospects of airmic.

Principal Risks

1. Data breach leads to destruction or corruption of data, the leaking of confidential information, the theft of intellectual property and regulatory requirements concerning notification.
2. Technology project fails to deliver the Discovery phase and a timeline to an MVP leading to dependence of Airmic on outdated technology infrastructure and loss of project investment.
3. Team members headhunted leading to a failure to match Airmic resources to ambitions resulting in an inability to deliver the business plan and strategic objectives.
4. CEO absent because of a planned or sudden permanent departure, or a short or long-term leave of absence, leading to a loss of team motivation and direction.
5. Partners become dissatisfied with the Airmic proposition leading to a loss of income, damage to the reputation of Airmic and a domino effect of Partner departures.
6. Member growth stalls leading to loss of income, loss of influence, and Partner dissatisfaction.
7. Annual Conference Member attendance falls leading indirectly to a drop in budget performance and inability to support Airmic ambitions and fulfilment of Airmic objectives.
8. External factors affect the viability of physical events leading to loss of traction with Members and an unwillingness of Members and Partners to continue their financial support of Airmic.
9. The voice of Airmic ignored or not heard leading to loss of visibility and influence.
10. Competition overtakes Airmic leading to the support for Airmic being diverted elsewhere with reputation and financial consequences.

the airmic team.

Eleanor Bounds	Training and Networking Executive
Lesley Davies	Head of Finance and Business Operations
Alex Frost	Head of Market Development
Julia Graham	Chief Executive Officer
Adam Ireland	Head of Learning
Tamar Kalenderian	Learning Executive – appointed 2023
Lynda Kameche	Executive Assistant
Hoe-Yeong Loke	Head of Research
Omo Ogunnaike	Event Manager
Olabisi Porteous	Membership Manager
Natalia Selter	Accounts Executive
Leigh-Anne Slade	External Comms and Special Interest Groups
Louis Varley	Head of IT
Gemma Warren	Head of Events – appointed 2023

Consultants

Dave Benyon	Editor of Airmic News
Richard Cutcher	Captives Ambassador and Editor of Airmic News and Airmic Talks
Patrick Smith	Principal of the Airmic Academy

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Airmic Limited

Registered Number: 01345758

Annual Report and Accounts

For the year ended 31 December 2022

■ Airmic Board and Management

Directors	Timothy Graham FCA, ACII, MIRM, MBA	Chair from 20.07.22 First Deputy Chair to 20.07.22
	Fiona Davidge LLB (Hons), FIRM	First Deputy Chair from 20.07.22 Second Deputy Chair to 20.07.22
	Angela Iannetta ACA, IRMCert	Second Deputy Chair to 20.07.22
	Claire Combes ACA	Chair to 20.07.22
	Julia Graham BSc, FCII, Chartered Insurance Risk Manager, FBCI	CEO
	Colin Barker BA (Hons) FCMA, CGMA, FCG	Resigned 04.01.22
	Justine Cowling	Appointed 01.01.23
	Amanda Craib LLB (Hons), CISM	Resigned 18.07.23
	Mark Dawson ACII, Chartered Insurance Practitioner	
	Glenn Ellis CMIRM	
	Alison Hill MBA, BSc (Hons), CGMA, ACMA, IRMCert	
	Richard Hoult BA (Hons), FCMA, CGMA	
	Nicholas Hughes BA (Law), MRAS	
	James Kelly AMCT, FCA, MA	
	John Ludlow CFIRM	Resigned 06.06.22
Officers	Xavier Mutzig LLM	
	Alison Quinlivan BA (Hons), FCII, Chartered Insurance Practitioner	
	Tracey Skinner ACII, AIRM	Resigned 14.06.22
	Martin Smyth MBA, ACII, Chartered Insurance Risk Manager	Appointed 01.01.23
	Jordane Terrasse	
	Susan Young BA (Hons), FCA, SIRM, MBCI, RRP, PIOR, BFP	Appointed 01.01.23
	Nicholas Hughes BA (Law), MRAS	Honorary Secretary
	Timothy Graham FCA, ACII, MIRM, MBA	Honorary Treasurer to 20.07.22
	Richard Hoult BA (Hons), FCMA, CGMA	Honorary Treasurer from 20.07.22
Key Management	Julia Graham BSc, FCII, Chartered Insurance Risk Manager, FBCI	CEO
Personnel	Lesley Davies BA (Hons), CPFA	Head of Finance & Business Operations

■ 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 a donation of £1,000 in the year to the Mersey Forest Foundation (£1,500 in 2021: £1,000 to Young Minds, and £500 to Endometriosis UK).

Directors

The directors as set out on page 2 under Airmic Board and Management held office during the whole of the period from 1 January 2022 to the date of this report unless otherwise stated. Management Liability – Trustees and individual liability cover, was in place during the year.

Auditor

Moore Kingston Smith LLP has indicated its 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 its 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 Graham

Chair

Date: 30 August 2023

■ 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 2022 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 Republic of 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 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and 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 the 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

■ Independent Auditor's Report to the Members of Airmic Limited

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; or
- 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management.

■ Independent Auditor's Report to the Members of Airmic Limited

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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: 2023

Moore Kingston
Smith LLP
9 Appold Street
London
EC2A 2AP

■ Income and Expenditure Account

	Note	2022 £	2021 £
Income and Expenditure Account For the year ended 31 December 2022			
Income	1	2,540,278	2,068,682
Direct expenses		688,333	522,803
Gross Surplus		1,851,945	1,545,879
Other operating expenses		1,686,524	1,656,676
Operating Surplus / (Deficit)	3	165,421	(110,797)
Bank interest receivable		9,922	195
Surplus / (Deficit) on Ordinary Activities Before Taxation		175,343	(110,602)
Taxation	5	8,138	(1,539)
Surplus / (Deficit) on Ordinary Activities After Taxation		167,205	(109,063)
Income and Expenditure Account Brought Forward		917,875	1,026,938
Income and Expenditure Account Carried Forward		1,085,080	917,875

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

	Note	2022 £	2021 £
Balance Sheet As at 31 December 2022			
Fixed Assets			
Intangible assets	6	119,456	48,895
Tangible assets	7	79,664	108,245
Cash held on deposit		100,712	299,759
Investments	8	2	2
		299,834	456,901
Current Assets			
Debtors	9	1,349,589	1,417,285
Cash at bank and in hand		685,887	372,258
		2,035,476	1,789,543
Current Liabilities			
Creditors: amounts falling due within one year	10	1,250,230	1,328,569
Net Current Assets		785,246	460,974
Total Assets Less Current Liabilities		1,085,080	917,875
Reserves			
Income and Expenditure Account	12	1,085,080	917,875

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 Graham
Chair
Date: 30 August 2023

■ Statement of Cash Flows

Statement of Cash Flows		2022		2021
For the year ended 31 December 2022				
	£	£	£	£
Surplus / (Deficit) Before Taxation		175,343		(110,602)
Adjustment for Non-Cash Items:				
Depreciation	47,559		50,710	
Amortisation	3,318		3,318	
Adjustments for Other Non-Operating Items:				
Interest on Investments	(9,922)		(195)	
Corporation Tax Paid	-		-	
Deferred Tax Charge	(8,138)	32,817	1,539	55,372
Adjusted Surplus / (Deficit)		208,160		(55,230)
Movements in Working Capital:				
(Increase) / Decrease in Debtors	67,696		(503,999)	
Increase / (Decrease) in Creditors	(78,339)	(10,643)	513,021	9,022
Cash Generated from (Used in) Operations		197,517		(46,208)
Investing Activities:				
Purchase of Fixed Assets	(92,857)		(40,377)	
Interest Received	9,922	(82,935)	195	(40,182)
Net Cash Flow		114,582		(86,390)
Total cash brought forward		672,017		758,407
Cash held on deposit	100,712		299,759	
Cash at bank and in hand	685,887		372,258	
Total cash carried forward		786,599		672,017

Analysis of changes in net debt	As at 01 January 2022	Cash flows	As at 31 December 2022
	£	£	£
Cash held on deposit	299,759	(199,047)	100,712
Cash held at bank and in hand	372,258	313,629	685,887
Total	672,017	114,582	786,599

■ 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' and the requirements of the Companies Act 2006.

Going Concern

At the start of 2022 there was a general perception the pandemic was coming to an end, which may have resulted from the way people had started to return to a semblance of pre-pandemic life. There was an expectation that businesses and societies would be re-energised after the years of restrictions, and that a surge in the development and use of technology would create opportunities to thrive. Airmic events and Board meetings for 2022 were once again planned as physical meetings.

Eyes then turned towards events in Ukraine, which created a shift of the geopolitical 'tectonic plates'. Underlying fault lines rose to the surface, highlighting some very different economic and political systems. The world became more polarised and felt less secure and settled than we expected it to be after the height of the pandemic, and the level of optimism was restrained. At a UK level, economic ripples created higher interest rates and inflation, prompting a plague of industrial unrest with prolonged outbreaks of strike action. The series of rail strikes required a constant state of readiness by Airmic to change working, event, learning and governance plans, often at short notice.

We hosted the first Airmic Captives Forum in March with a capacity audience and achieved a highly acclaimed Island of Ireland Forum in October – both now established as part of the annual Airmic events calendar. The Liverpool annual conference was hailed as the "real deal" by attendees. We invested in additional full Partners, our Member numbers grew by 13%, and we provided over 400 hours of Continuous Professional Development. We launched new learning initiatives including the Masterclass Series, as well as continuing the popular fastTrack and Business Excellence Programmes. Thought Leadership was delivered to the highest standard and a 'Friday Reading' archive of more than 1,000 curated searchable items was launched in December. These achievements were delivered by a focused and talented Airmic team, supported by an imaginative Wellbeing Programme, and governed by an engaged Board and Executive. All Board vacancies at the end of 2022 were filled with attention paid to gender, sector, and professional diversity.

Throughout the year, Airmic continued to demonstrate resilience, emerging from 2022 with a small financial surplus against a planned break-even Budget. Cash flow remained healthy and Reserves stabilised.

Airmic's voice is heard and we continue to command a position of influence across the profession, industry, regulators, and Government in the UK and beyond. We feel confident about our future with business and systems projects in the pipeline. If 2022 was a year of reconnecting, then 2023 will be a year of investing, with a small deficit budget planned, and 2024 will be a year of delivering with a return to surplus as business projects deliver new income streams and improved systems come online. 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). Apart from a small proportion (2.3%), arising from a new event held in Ireland in 2022, 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 to 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.

■ Notes to the Financial Statements continued...

1. Accounting Policies (continued)

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 2 and 5 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.

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.

■ Notes to the Financial Statements continued...

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 1,462 guaranteeing members at 31 December 2022, the balance sheet date (2021: 1,314 guaranteeing members), and in the event of the company being wound up the maximum amount which each member is liable to contribute is £1.

3. Operating Surplus / Deficit	2022	2021
	£	£
The operating surplus / deficit is stated after charging:		
Depreciation / amortisation and amounts written off tangible and intangible fixed assets (notes 6 and 7)	50,877	54,028
Auditor's remuneration:		
- Audit services current year	10,350	9,400
- Other services current year	4,095	3,985
Operating lease rentals		
- Equipment	6,625	5,871
- Land and buildings	68,273	68,273

4. Employees and Directors

The average number of directors (paid and unpaid members of the board) and staff employed by the association during the year was:

	2022	2021
Directors (board members)	17	16
Employees	12	11
	29	27

Employee costs for the above:	£	£
Salaries	875,094	828,289
Redundancy and termination payments	-	12,878
Social security costs	107,115	98,879
Pension costs and other staff benefits (note 14)	123,365	113,616
Recruitment and training	18,966	37,153
	1,124,540	1,090,815

The aggregate amount of directors' remuneration for the year amounted to £211,929 (2021: £235,951). 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 £321,360 (2021: £371,543). 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	2022	2021
	£	£
United Kingdom corporation tax on non-member activities	-	-
at 19% (2021: 19%)	8,138	(1,539)
Deferred tax charge in the year	8,138	(1,539)

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...

		Website and Computer Systems
		£
6. Intangible Fixed Assets		
Cost at 1 January 2022		247,242
Additions during the year		73,879
Cost at 31 December 2022		<u>321,121</u>
Accumulated amortisation at 1 January 2022		198,347
Charge for the year		3,318
Accumulated amortisation at 31 December 2022		<u>201,665</u>
Net book value at 31 December 2022		<u>119,456</u>
Net book value at 31 December 2021		48,895
7. Tangible Fixed Assets		
	Office Refurbishment Fixtures and Fittings and Computer Equipment	
	£	
Cost at 1 January 2022		251,829
Additions during the year		18,978
Disposals during the year		(16,976)
Cost at 31 December 2022		<u>253,831</u>
Accumulated depreciation at 1 January 2022		143,584
Charge for the year		47,559
Depreciation on disposals during the year		(16,976)
Accumulated depreciation at 31 December 2022		<u>174,167</u>
Net book value at 31 December 2022		<u>79,664</u>
Net book value at 31 December 2021		<u>108,245</u>
8. Fixed Asset Investments		
	Airmic (II) Ltd	
	£	
Cost and net book value at 1 January 2022 and 31 December 2022		<u>2</u>

Investments at 31 December 2022 comprised a 100% interest in the issued ordinary share capital of Airmic (II) Limited, a dormant company registered in England and Wales.

■ Notes to the Financial Statements continued...

	2022	2021
	£	£
9. Debtors		
Trade debtors	893,510	1,122,054
Other debtors	11,566	14,180
Prepayments and accrued income	444,513	281,051
	1,349,589	1,417,285

The reduction in trade debtors reflects the timing of annual Partner renewal invoices and payments around the turn of the year. Accrued income increased due to an adjusting post balance sheet event relating to matters associated with the pandemic.

	2022	2021
	£	£
10. Creditors: Amounts falling due within one year		
Trade creditors	97,597	77,119
Corporation tax	-	-
Deferred tax (note 11)	30,446	22,308
Other creditors	21,651	46,650
Tax and social security	223,623	179,762
Accruals	115,905	245,204
Deferred income	761,008	757,526
	1,250,230	1,328,569

The increase in trade creditors is due to normal variations in the course of business. The decrease in other creditors reflects the reduction in the rent-free period adjustment as the remaining term of the office lease reduces. In 2021, the accruals figure included a large expense for the Annual Dinner, as the VAT invoice was not received until the New Year, and there was a timing difference in payments to team members under the employee bonus scheme, which also reduced the PAYE creditor at the 2021 year-end.

Financial liabilities measured at amortised cost included in the above total £213,502 (2021: £322,323).

11. Provisions - Deferred Tax	£
Balance brought forward at 1 January 2022	22,308
Amount charged to income and expenditure in the period	8,138
Balance carried forward at 31 December 2022	30,446

Deferred tax arises on timing differences from capital allowances.

■ Notes to the Financial Statements continued...

12. Reserves

	Income and Expenditure Account
	£
Balance at 1 January 2022	917,875
Surplus for the year	167,205
Balance at 31 December 2022	<u>1,085,080</u>

Airmic has a Reserves Policy set within the context of its governance framework. Reserves support the continuity of the core work of Airmic, and the ability of the association to pursue opportunities, and provide cover for risks such as unforeseen expenditure or unanticipated loss of income. The Finance Committee and the Board undertook a comprehensive review of the policy in 2021 and continue to monitor the level of reserves and associated metrics, which fall within the parameters set by the policy at 31st December 2022.

13. Commitments under Operating Leases

At 31 December 2022, the company's total future minimum commitments under operating leases were as follows:

	Land and Buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Commitments due:				
in less than 1 year	83,600	83,600	3,479	1,982
in 1 to 5 years	34,833	118,433	12,682	90

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 £43,331 (2021: £36,944), including savings on employer National Insurance on sacrificed salaries passed on to employees (but excluding salaries sacrificed to pensions).

15. Transactions with Related Parties

In 2022, £4,635 was paid to Cure Creative for graphic design, representing 16% of the total spent on graphic design services during the year. Julia Graham, director and CEO, has a family connection to this firm.

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