

# **Airmic Limited**

Registered Number: 01345758

## **Annual Report and Accounts** For the year ended 31 December 2015

A company limited by guarantee

## Airmic Board and Management 2015

<b>Directors</b>	P Smith	Chairman from 17.06.15 First Deputy Chairman to 17.06.15
	Ms HC Pope BA, MSc, ACII, MIRM	Chairman to 17.06.15
	J Ludlow	First Deputy Chairman from 17.06.15 Second Deputy Chairman to 17.06.15
	C Clarke	Second Deputy Chairman from 17.06.15
	J Hurrell	Chief Executive
	C Barker FCMA, ACIS	
	Ms J Davey FCII	
	P Goulding FIRM	
	T Graham FCA, ACII, MIRM, MBA	
	D Hertzell MA (Oxon)	
	N M L Hughes BA (Law), MRAeS	
	Ms L Lucas BSc, MBA, ACIS	
	C McGloin BSc, FCII	Resigned 17.06.15
	T Murray	
	X Mutzig LLM	
	A J van der Veer	Resigned 10.04.15
Ms K Wallin		
<b>Officers</b>	N M L Hughes BA (Law), MRAeS	Honorary Secretary
	T Graham FCA, ACII, MIRM, MBA	Honorary Treasurer (from 22.07.15)
	C Campbell BA, ACII, MIRM, MIIRSM, ACMI	Honorary Treasurer (to 17.06.15)
<b>Secretariat</b>	Mrs J Graham FCII, Chartered Insurer, FBCI	Technical Director (from 01.05.15)
	P Hopkin FIRM, FIIRSM FIOSH	Technical Director (to 05.04.15)
	Ms K Moore BA ACII	R & D Manager
	Ms G Oakes BSc, Dip CII	R & D Manager (Insurance)
	Ms S Ozkurt / Miss Gemma Warren (maternity cover)	Events and Marketing Manager
	R Hayday BA	Information & Design Manager
	Miss V Hicks / Ms Elin Johannisson (maternity cover)	PA to CEO
	Miss M Hart	Membership Assistant
	Mrs L Davies BA, CPFA	Finance Manager
	Mrs N Selter MAAT	Accounts Assistant
	<b>Special Responsibilities</b>	Mrs J Titherington MA / M Baylis MA (maternity cover)
D Gamble BA, FRSA		Principal, Airmic Academy

## 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.

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

### 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 £1,275 in the year (£1,025 in 2014).

### Directors

The directors as set out on page 1 under Airmic Board & Management held office during the whole of the year from 1 January 2015 to the date of this report unless otherwise stated.

Executive and professional liability insurance, including directors' indemnity insurance was in place during the year.

### Auditors

Kingston Smith LLP have indicated their willingness to continue in office. A resolution to reappoint Kingston Smith LLP as auditors 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 auditors are 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 auditors are aware of that information.

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



**Patrick Smith**

Chairman

Date: 12th May 2016

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

We have audited the financial statements of Airmic Limited for the year ended 31 December 2015 which comprise the Income and Expenditure account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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.

### Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



**Nicholas Brooks**

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

Date: 31st May 2016

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

## Income and Expenditure Account

For the year ended 31 December 2015

		2015	2014
	Note	£	£
Income	1	1,867,265	1,704,795
Direct expenses		580,322	542,836
<b>Gross surplus</b>		<b>1,286,943</b>	<b>1,161,959</b>
Other operating expenses		1,118,008	1,049,216
<b>Operating surplus</b>	<b>3</b>	<b>168,935</b>	<b>112,743</b>
Bank interest receivable		8,408	5,972
<b>Surplus on Ordinary Activities Before Taxation</b>		<b>177,343</b>	<b>118,715</b>
Taxation	5	11,490	22,191
<b>Surplus on Ordinary Activities After Taxation</b>		<b>165,853</b>	<b>96,524</b>
<b>Income and Expenditure Account Brought Forward</b>		<b>1,024,238</b>	<b>927,714</b>
<b>Income and Expenditure Account Carried Forward</b>		<b>1,190,091</b>	<b>1,024,238</b>

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

No separate Statement of Total Recognised Gains and Losses 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 2015

	Note	2015 £	2014 £
<b>Fixed Assets</b>			
Intangible assets	6	91,785	5,720
Tangible assets	7	36,386	7,270
Investments	8	2	2
		<b>128,173</b>	<b>12,992</b>
<b>Current Assets</b>			
Debtors	9	1,000,277	1,008,224
Cash at bank and in hand		1,602,818	1,547,968
		<b>2,603,095</b>	<b>2,556,192</b>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	10	1,541,177	1,544,946
<b>Net Current Assets</b>		1,061,918	1,011,246
<b>Total Assets Less Current Liabilities</b>		<b>1,190,091</b>	<b>1,024,238</b>
<b>Reserves</b>			
Income and Expenditure Account	11	<b>1,190,091</b>	<b>1,024,238</b>

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



**Patrick Smith**  
Chairman, Airmic Limited  
Registered Number 1345758

Date: 12th May 2016

## Statement of Cash Flows

For the year ended 31 December 2015

	2015		2014	
	£	£	£	£
<b>Surplus Before Taxation</b>		<b>177,343</b>		<b>118,715</b>
Adjustment for Non-Cash Items:				
Depreciation	24,521		27,164	
Adjustments for Other Non-Operating Items:				
Interest on Investments	(8,408)		(5,972)	
Corporation Tax Paid	(11,490)	4,623	(22,191)	(999)
<b>Adjusted Surplus</b>		<b>181,966</b>		<b>117,716</b>
Movements in Working Capital:				
Decrease/(Increase) in Debtors	7,947		192,303	
Increase/(Decrease) in Creditors	(3,769)	4,178	14,033	206,336
<b>Cash Generated from Operations</b>		<b>186,144</b>		<b>324,052</b>
<b>Investing Activities:</b>				
Purchase of Fixed Assets	(139,702)		(17,470)	
Interest Received	8,408	(131,294)	5,972	(11,498)
<b>Net Cash Flow</b>		<b>54,850</b>		<b>312,554</b>

## 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. The directors have prepared forecasts for the foreseeable future and consider it appropriate to prepare the accounts on a going concern basis.

#### 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.

#### 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.

#### 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.

#### 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 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.

#### 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 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 1,074 guaranteeing members at 31 December 2015, the balance sheet date (2014: 1,118 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

	2015	2014
	£	£
The operating surplus is stated after charging:		
Depreciation and amounts written off tangible and intangible fixed assets (note 6, 7)	24,521	27,164
Auditors' remuneration:		
- Audit services current year	7,950	7,800
- Other services current year	2,960	2,015
Operating lease rentals (note 12):		
- Equipment	5,932	6,035
- Land & Buildings	52,528	46,921
	<b>24,521</b>	<b>27,164</b>

### 4. Employees and Directors

	2015	2014
The average number of directors (paid and unpaid) and persons employed by the Association during the year was:		
Directors	16.0	16.5
Administrative	10.0	9.0
	<b>26.0</b>	<b>25.5</b>
<b>Staff costs for the above:</b>		
	£	£
Salaries	619,440	550,874
Social security costs	73,254	66,462
Pension costs and other staff benefits (note 13)	61,288	89,169
Recruitment and training	16,962	19,254
	<b>770,944</b>	<b>725,759</b>

The aggregate amount of directors' remuneration for the year amounted to £165,600 (2014: £161,793). 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 £353,926 (2014: £362,900). 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

	2015	2014
	£	£
United Kingdom corporation tax on non-member activities at 20% (2014: 20%)	11,490	23,176
Deferred tax charge in the year	-	(985)
	<b>11,490</b>	<b>22,191</b>

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

	<b>Website and Computer Systems</b>
	£
<b>Cost at 1 January 2015</b>	<b>145,987</b>
Additions during the year	91,785
<b>Cost at 31 December 2015</b>	<b>237,772</b>
<b>Accumulated depreciation at 1 January 2015</b>	<b>140,267</b>
<b>Charge for the year</b>	<b>5,720</b>
<b>Accumulated depreciation at 31 December 2015</b>	<b>145,987</b>
<b>Net book value at 31 December 2015</b>	<b>91,785</b>
Net book value at 31 December 2014	5,720

### 7. Tangible Fixed Assets

	<b>Fixtures Fittings and Equipment</b>
	£
<b>Cost at 1 January 2015</b>	<b>100,274</b>
Additions during the year	47,917
Disposals	(16,676)
<b>Cost at 31 December 2015</b>	<b>131,515</b>
<b>Accumulated depreciation at 1 January 2015</b>	<b>93,004</b>
Depreciation eliminated on disposal	(16,676)
<b>Charge for the year</b>	<b>18,801</b>
<b>Accumulated depreciation at 31 December 2015</b>	<b>95,129</b>
<b>Net book value at 31 December 2015</b>	<b>36,386</b>
Net book value at 31 December 2014	7,270

## Notes to the Financial Statements continued...

### 8. Fixed Asset Investments

	Airmic (II) Ltd £
Cost and net book value at 1 January 2015	2
Cost and net book value at 31 December 2015	<u>2</u>

Investments at 1 January 2015 comprised a 100% interest in the issued ordinary share capital of Airmic (II) Limited, a dormant company registered in England and Wales.

### 9. Debtors

	2015 £	2014 £
Trade debtors	853,763	928,845
Other debtors	1,526	1,795
Prepayments and accrued income	144,988	77,584
	<u>1,000,277</u>	<u>1,008,224</u>

The reduction in trade debtors is mainly due to timing differences at the year end, with more sponsors choosing to pay prior to the invoice due date. The increase in prepayments reflects differing payment terms between suppliers at different conference venues together with deposits paid on new bookings for future conference and annual dinner venues

### 10. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	115,847	4,984
Corporation tax	11,490	23,176
Tax & social security	145,899	179,110
Accruals	35,513	21,751
Deferred income	1,232,428	1,315,925
	<u>1,541,177</u>	<u>1,544,946</u>

The increase in trade creditors is mainly due to invoices for the project to develop a new website and CRM system and invoices for deposits on future conference venues, neither of which were applicable the previous year. The figure for trade creditors also includes provision for a discount on a 2016 exhibition stand that became due when an exhibitor became eligible for sponsor benefits. The decrease in tax and social security creditors is due to a reduction in VAT liability (timing differences in sales invoices either side of the year end and VAT reclaimable on the additional purchase invoices reflected in trade creditors). Accruals increased mainly as a result of provision for staff expenses including accrued holiday pay. Included within accruals is £3,000 (2014: £3,789) relating to a pension creditor. Deferred income reduced mainly as a result of timing differences in sponsorship invoicing either side of the year end.

## Notes to the Financial Statements continued...

### 11. Reserves

#### Income and Expenditure Account

	£
Balance at 1 January 2015	1,024,238
Surplus for the year	165,853
Balance at 31 December 2015	<u>1,190,091</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 2015 falls within the parameters set by the policy.

### 12. Commitments under Operating Leases

At 31 December 2015, the company's total future minimum commitments under operating leases were as follows:

	Land and Buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Operating leases which expire:				
within 1 year	57,836	56,201	5,505	5,818
in 1-2 years	34,294	57,836	3,884	3,802
in 2-5 years	-	34,294	7,912	143
in more than 5 years	-		1,164	-

### 13. Pension Commitments

The company contributes 5.0% or 7.5% of pensionable salaries to the personal pension schemes of its employees, depending upon the level of employee contribution. The cost of company contributions to defined contribution schemes during the year amounted to £25,048 (2014: £23,820), including savings on employer National Insurance on sacrificed salaries passed on to employees. The figure for pension costs and other staff benefits included in note 4 includes salaries sacrificed to pensions.

### 14. Transactions with Related Parties

In 2015, £2,000 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 2014: £1,500).

## Notes to the Financial Statements continued...

### 15. Transition to FRS 102

This is the first year that the company has prepared its financial statements under FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was 1 January 2014. A reconciliation of amounts presented under previous UK GAAP and FRS 102 is set out below for the company's net expenditure for the financial year ended 31 December 2014 and for its total funds at 1 January 2014 and 31 December 2014 together with an explanation of changes in accounting policies of transition.

	Note	At 1 January 2014			At 31 December 2014		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
		£	£	£	£	£	
<b>Fixed assets</b>							
Intangible assets	15.1	-	11,336	11,336	-	5,720	5,720
Tangible assets		22,684	(11,336)	11,348	12,990	(5,720)	7,270
Investments		2	-	2	2	-	2
		22,686	-	22,686	12,992	-	12,992
<b>Current assets</b>							
Debtors		1,200,527	-	1,200,527	1,008,224	-	1,008,224
Cash at bank and in hand		1,235,414	-	1,235,414	1,547,968	-	1,547,968
		2,435,941	-	2,435,941	2,556,192	-	2,556,192
<b>Creditors due within one year</b>							
Trade creditors		121,429	-	121,429	4,984	-	4,984
Accrued pension costs		-	-	-	3,789	-	3,789
Taxation and social security		243,586	-	243,586	202,286	-	202,286
Accruals		12,719	-	12,719	17,962	-	17,962
Deferred Income		1,153,179	-	1,153,179	1,315,925	-	1,315,925
		1,530,913	-	1,530,913	1,544,946	-	1,544,946
<b>Net Current Assets</b>		905,028	-	905,028	1,011,246	-	1,011,246
<b>Net Assets</b>		927,714	-	927,714	1,024,238	-	1,024,238
<b>Reserves</b>							
Income and Expenditure Account		927,714	-	927,714	1,024,238	-	1,024,238

#### 15.1 Reclassification of Software Costs

Under FRS 102 software costs which were previously recognised in tangible fixed assets have been reclassified to intangible assets.

#### 15.2 Statement of Cash Flows

The cash flow statement on page 7 reflects the presentation requirements of FRS 102.

#### 15.3 Income and Expenditure Account

There was no effect on the income and expenditure account from the transition to FRS 102.



**Airmic Limited**

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