

Airmic Limited

Registered Number: 01345758

Annual Report and Accounts For the year ended 31 December 2016

A company limited by guarantee

Airmic Board and Management 2016

Directors	Clive Clarke	Chairman from 08.06.16 First Deputy Chairman 08.04.16 to 08.06.16 Second Deputy Chairman to 08.04.16
	Patrick Smith	Chairman to 08.06.16 Resigned 01.09.16
	John Ludlow CFIRM	First Deputy Chairman to 08.04.16
	Paul Goulding	Second Deputy Chairman 08.04.16 to 08.06.16 First Deputy Chairman from 08.06.16
	Lynda Lucas BSc, MBA, ACIS	Second Deputy Chairman from 08.06.16
	John Hurrell FCII	Chief Executive
	Colin Barker BA (Hons), FCMA, ACIS	
	Claire Combes ACA	Appointed 09.02.16
	Jane Davey FCII	Resigned 23.09.16
	Fiona Davidge LLB (Hons), FIRM, MBCI	Appointed 21.10.16
	Mark Dawson ACII, Chartered Insurance Practitioner	Appointed 21.10.16
	Timothy Graham FCA, ACII, MIRM, MBA	
	Lesley Harding	Appointed 09.02.16
	David Hertzell MA (Oxon)	
	Nicholas Hughes BA (Law), MRAsS	
Helen-Clare Pope BA (Hons), MSc, ACII, MIRM		
Tim Murray LLB (Hons), ACII, ACILA, SIRM		
Xavier Mutzig LLM		
Tracey Skinner ACII, AIRM	Appointed 09.02.16	
Kathryn Wallin		
Officers	Nicholas Hughes BA (Law), MRAsS	Honorary Secretary
	Timothy Graham FCA, ACII, MIRM, MBA	Honorary Treasurer
Secretariat	Julia Graham FCII, Chartered Insurance Risk Manager, FBCI	Technical Director & Deputy CEO
	Georgina Oakes BSc (Hons), ACII	R & D Manager
	Kathryn Moore BA ACII / Kin Ly FdA	R & D Manager
	Suzan Ozkurt	Events and Marketing Manager
	Robert Hayday / Matthew Goldsmith	Information & Design / Digital Marketing Manager
	Elin Johannisson	PA to CEO and Technical Director & Deputy CEO
	Megan Hart / Olabisi Porteous LLB (Hons)	Membership Asst. / Membership Co-ordinator
	Lesley Davies BA (Hons), CPFA	Finance Manager
	Natalia Selter MAAT	Accounts Assistant
Special Responsibilities	Mark Baylis MA / Jessica Titherington MA	Public Relations & Editor Airmic News
	David 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 (£1,275 in 2015).

Directors

The directors as set out on page 2 under Airmic Board & Management held office during the whole of the year from 1 January 2016 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:



Clive Clarke

Chairman

Date: 22 March 2017

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 2016 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 2016 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.

Luke Holt

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

Date: May 2017

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

Income and Expenditure Account

For the year ended 31 December 2016

		2016	2015
	Note	£	£
Income	1	1,926,051	1,867,265
Direct expenses		585,387	580,322
Gross surplus		1,340,664	1,286,943
Other operating expenses		1,235,657	1,118,008
Operating surplus	3	105,007	168,935
Bank interest receivable		6,819	8,408
Surplus on Ordinary Activities Before Taxation		111,826	177,343
Taxation	5	42,149	11,490
Surplus on Ordinary Activities After Taxation		69,677	165,853
Income and Expenditure Account Brought Forward		1,190,091	1,024,238
Income and Expenditure Account Carried Forward		1,259,768	1,190,091

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 2016

	Note	2016 £	2015 £
Fixed Assets			
Intangible assets	6	104,327	91,785
Tangible assets	7	16,863	36,386
Investments	8	2	2
		121,192	128,173
Current Assets			
Debtors	9	943,576	1,000,277
Cash at bank and in hand		1,786,969	1,602,818
		2,730,545	2,603,095
Current Liabilities			
Creditors: amounts falling due within one year	10	1,591,969	1,541,177
		1,138,576	1,061,918
Net Current Assets			
		1,259,768	1,190,091
Total Assets Less Current Liabilities			
		1,259,768	1,190,091
Reserves			
Income and Expenditure Account	12	1,259,768	1,190,091

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



Clive Clarke

Chairman, Airmic Limited

Registered Number 01345758

Date: 22 March 2017

Statement of Cash Flows

For the year ended 31 December 2016

	2016		2015	
	£	£	£	£
Surplus Before Taxation		111,826		177,343
Adjustment for Non-Cash Items:				
Depreciation	24,339		18,801	
Amortisation	52,163		5,720	
Adjustments for Other Non-Operating Items:				
Interest on Investments	(6,819)		(8,408)	
Corporation Tax Paid	(19,869)		(11,490)	4,623
Deferred Tax Charge	(22,280)	27,534		
Adjusted Surplus		139,360		181,966
Movements in Working Capital:				
Decrease/(Increase) in Debtors	56,701		7,947	
Increase/(Decrease) in Creditors	50,792	107,493	(3,769)	4,178
Cash Generated from Operations		246,853		186,144
Investing Activities:				
Purchase of Fixed Assets	(69,521)		(139,702)	
Interest Received	6,819	(62,702)	8,408	(131,294)
Net Cash Flow		184,151		54,850
Cash at bank and in hand brought forward		1,602,818		1,547,968
Cash at bank and in hand carried forward		1,786,969		1,602,818

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 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.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and current and fixed term deposits with banks.

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.

Notes to the Financial Statements continued...

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.

Functional Currency

The functional and presentational currency of the company is the pound sterling.

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 1,162 guaranteeing members at 31 December 2016, the balance sheet date (2015: 1,074 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

	2016	2015
	£	£
The operating surplus is stated after charging:		
Depreciation / amortisation and amounts written off tangible and intangible fixed assets (note 6, 7)	76,502	24,521
Auditors' remuneration:		
- Audit services current year	8,100	7,950
- Other services current year	3,595	2,960
Operating lease rentals:		
- Equipment	5,791	5,932
- Land & Buildings	52,528	52,528
	76,502	24,521

4. Employees and Directors

	2016	2015
The average number of directors (paid and unpaid) and persons employed by the Association during the year was:		
Directors	17	16
Administrative	9	10
	26	26
Staff costs for the above:		
	£	£
Salaries	646,171	619,440
Social security costs	80,380	73,254
Pension costs and other staff benefits (note 13)	56,454	61,288
Recruitment and training	23,666	16,962
	806,671	770,944

Notes to the Financial Statements continued...

4. Employees and Directors (continued)

The aggregate amount of directors' remuneration for the year amounted to £174,870 (2015: £165,600). 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 £391,286 (2015: £353,926). 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

	2016	2015
	£	£
United Kingdom corporation tax on non-member activities at 20% (2015: 20%)	19,869	11,490
Deferred tax charge in the year	22,280	-
	42,149	11,490

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

6. Intangible Fixed Assets

	Website and Computer Systems
	£
Cost at 1 January 2016	237,772
Additions during the year	64,705
Disposals	(136,859)
Cost at 31 December 2016	165,618
Accumulated amortisation at 1 January 2016	145,987
Amortisation eliminated on disposal	(136,859)
Charge for the year	52,163
Accumulated amortisation at 31 December 2016	61,291
Net book value at 31 December 2016	104,327
Net book value at 31 December 2015	91,785

Notes to the Financial Statements continued...

7. Tangible Fixed Assets

	Office Refurbishment Fixtures and Fittings & Computer Equipment
	£
Cost at 1 January 2016	131,515
Additions during the year	4,816
Disposals	(6,221)
Cost at 31 December 2016	130,110
Accumulated depreciation at 1 January 2016	95,129
Depreciation eliminated on disposal	(6,221)
Charge for the year	24,339
Accumulated depreciation at 31 December 2016	113,247
Net book value at 31 December 2016	16,863
Net book value at 31 December 2015	36,386

8. Fixed Asset Investments

	Airmic (II) Ltd £
Cost and net book value at 1 January 2016	2
Cost and net book value at 31 December 2016	2

Investments at 1 January 2016 comprised a 100% interest in the issued ordinary share capital of Airmic (II) Limited, a dormant company registered in England and Wales.

9. Debtors

	2016	2015
	£	£
Trade debtors	657,649	853,763
Other debtors	5,773	1,526
Prepayments and accrued income	280,154	144,988
	943,576	1,000,277

The reduction in trade debtors is largely due to timing differences at the year end, with more sponsors and exhibitors choosing to pay prior to the invoice due date. The increase in prepayments reflects differing purchase invoice dates either side of the year end (e.g. insurance renewals), differing payment terms between suppliers at different conference venues and deposits paid on three new venue hire contracts to 2023. Financial assets measured at amortised cost within the above total £639,635.

Notes to the Financial Statements continued...

10. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	109,264	115,847
Corporation tax	19,869	11,490
Deferred Tax	22,280	-
Tax & social security	169,709	145,899
Accruals	17,447	35,513
Deferred income	1,253,400	1,232,428
	1,591,969	1,541,177

Tax and social security creditors are higher at year-end 2016 due to increases in both VAT and PAYE liability compared with the previous year, both being due to timing differences. The reduction in accruals is mainly due to provision for staff holiday pay and bonuses at 31.12.15 which did not apply in 2016. Included within accruals is £4,145 (2015: £3,000) relating to a pension creditor. Deferred income increased mainly as a result of sponsorship for a 2017 research project invoiced in 2016.

11. Provisions - Deferred Tax

	£
Balance brought forward at 1 January 2016	-
Amount charged to income and expenditure in the period	22,280
Balance carried forward at 31 December 2016	22,280

Deferred tax arises on timing differences from capital allowances.

12. Reserves

	Income and Expenditure Account
	£
Balance at 1 January 2016	1,190,091
Surplus for the year	69,677
Balance at 31 December 2016	1,259,768

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 2016 falls within the parameters set by the policy. Financial liabilities measured at amortised cost included in the above total £101,098.

Notes to the Financial Statements continued...

13. Commitments under Operating Leases

At 31 December 2016, the company's total future minimum commitments under operating leases were as follows:

	Land and Buildings		Other	
	2016	2015	2016	2015
Operating leases which expire:	£	£	£	£
within 1 year	59,477	57,836	5,822	5,505
in 1-2 years	60,420	34,294	5,641	3,884
in 2-5 years	34,953	-	9,561	7,912
in more than 5 years	-	-	-	1,164

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 £26,758 (2015: £25,048), 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.

15. Transactions with Related Parties

In 2016, £7,098 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 2015: £2,000).

Airmic Limited

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