



The AIM Foundation

Annual Report

Year ended 31 August 2017

Charity number 263294

The AIM Foundation
Year ended 31 August 2017

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The AIM Foundation
Trustees' Annual Report
Year ended 31 August 2017

The Trustees present their Report and Financial Statements for the year ended 31 August 2017. They are satisfied that the Financial Statements comply with the requirements of the Charities Act 2011, the Trust Deed as described below and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

Objectives and activities

The Foundation's objects are to make grants to registered charities, or Community Interest Companies with charitable purposes, specifically covering core funding and supporting charities in transition. The trustees make grants only to charities which have been well researched, to ensure that they are soundly managed and that their project outcomes contributes towards meeting the Foundation's recently reviewed strategic aims and funding programs. A full list of grants is shown in the financial statements.

The trustees' grant making policy is to be highly proactive in seeking out potential partners within the above stated objectives. They confirm that they will make reference to the Charity Commission's general guidance on public benefit when reviewing the grant making policy for the year. In particular they support registered charities operating for public benefit and there is a clear policy of not supporting individuals.

AIM's Mission

We seek to achieve positive social change by funding organisations working to address today's needs and to prevent problems arising. In order to achieve this overall goal, AIM has a strategy to proactively identify and fund Research and Policy, Prevention and Support work within the newly agreed framework. Across these three strategic ways of working, the Foundation is currently focused on:

- a) Nutrition and Well-being – diet and life style programs to optimise cognitive health
- b) Young People - Improving their Life chances especially around the transition from school to employment and their emotional and mental well being
- c) Early Years - Improving the emotional and social development of young children from vulnerable families

The trustees DO NOT UNDER ANY CIRCUMSTANCES respond to unsolicited requests for assistance.

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Achievements and performance

1. RESEARCH AND POLICY

We work in collaboration with respected research bodies, campaign groups and think tanks to tackle causes of urgent problems and promote innovative work. We want to ensure that learning is shared as widely as possible and try to influence social change.

a) Nutrition and Well-Being

The AIM Foundation supported the work of researching and promoting the Bredesen Protocol, a multi-factorial lifestyle and nutrition based approach to treating and reversing early onset Alzheimers. An award of £32,000 was made towards the initial research by the **University of Lancaster**. They are peer-reviewing all the research literature of multi-factorial treatments for chronic illnesses. This is the first step towards developing a proposal for larger public funding of trials in NHS of using a multi-modal non-pharmological treatment programme for Dementia.

Through **Health Empowerment Through Nutrition**, AIM supported work by a Functional Medicine doctor to promote optimum health programs, changing lifestyles and nutrition in order to prevent the development of cognitive decline. A grant was made of £20,000.

b) Young People

The Royal Foundation Heads Together Campaign – The Foundation contributed towards this effective campaign to reduce the stigma around discussing one's mental health difficulties. It is our intention to make future grants addressing the huge increase amongst teenagers with mental health issues and pressure on adolescent services.

c) Early Years

A third year's grant of £25,000 was made to **The Wave Trust**, who is trying to break the damaging, inter-generational family cycles of childhood neglect and abuse. We continue to support their social policy work in demonstrating the need for universal early prevention through partnership working in pioneering communities. They want to help midwives and health visitors across a population identify which families need extra support during pregnancy and the first years of the child's emotional and social development.

Mellow-Parents was given funding to undertake a full independent evaluation of the impact of Mellow Babies group work with vulnerable parents. The learning will help improve the outcomes of this work that strengthens the parent-baby attachment. Hopefully this evidence of impact will encourage more commissioning agencies to use this effective intervention and reach more beneficiaries.

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2. PREVENTION

The AIM Foundation funds core costs of medium sized organisations over a number of years that demonstrate strong leadership and are delivering effective prevention work and are looking to increase their impact or scale up. We look for opportunities to leverage their effectiveness.

a) Young People

Part two of the third year's grants was made through **Impetus-PEF** to support their on-going preventative work with disadvantaged and disengaged young people. Through many charity partners they continue to build the capacity and impact of these organisations, which are developing the young people's self-confidence, motivation, academic qualifications, and personal qualities in order that they can successfully move into work or further education. We made our first donation towards supporting core policy work.

The third year's grant of £20,000 was made to **The Lighthouse Group** (TLG) for their trained volunteer coaching programme, which supports primary school pupils at risk of failing academically due to emotional and social problems. Over the last year they have achieved good results with the children behaving better and feeling more positive about school.

b) Early Years

Institute of Health Visiting – a new multi-year grant was made towards the setting up of regional forums for Health Visitors to help disseminate best practice and research around supporting families needing support in their mental well-being around the time of birth.

3. SUPPORT

Aim supports unpopular causes, people who are disadvantaged and small local groups or initiatives through this strand. The focus is on people living in Essex, as this is where AIM's endowment funds were generated and the Founder Trustees live.

a) Young People

The Children's Society in East Anglia was awarded a further multi-year grant to the **Community Hidden Harm Awareness Team**. They improve the physical and emotional wellbeing of children and young people whose parents are misusing substances and are victims of abuse and neglect, resulting in underachievement at school and being more prone to truancy.

b) Early years

Parent's First – A new multi-year commitment of support began with this group working in deprived areas of Essex to train 'community parent' volunteers, so they can provide peer-support to mothers of infants.

Evaluation of the effectiveness of the two-year collaborative work, co-ordinated by the **Essex Community Foundation**, employing independent **domestic violence** advocates based in hospitals, has begun. These advocates provided direct support to victims of abuse and training to NHS staff. They have focused on increasing the awareness in A & E and Maternity departments so victims are identified early and provided with the appropriate specialist support.

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c) Other Support

Wells for India is a small but very effective grass-roots organization that provides safe clean water to rural communities. We continue to support this community development in areas of great economic hardship with an annual grant of £10,000.

4. GIFTS

Some small one off grants are awarded at the discretion of individual trustees. Some of these may be made as a way of researching and learning about new areas of funding. These are included in the full list in the annual report.

Financial review

The results include the audited financial statements of Cytoplan Limited (formally trading as Nature's Own Limited) and its wholly owned subsidiary, Nature's Own Limited (formally trading as Cytoplan Limited). During the year the trade and assets of Nature's Own Limited (formally trading as Cytoplan Limited) were hived up to its parent company. Its pro forma results are detailed in Note 3. A gift aid payment has been made equal to the level of taxable profits in the subsidiary after claiming R & D relief, in line with the triennial review of FRS102 this will be shown in next year's financial statements.

The consolidated surplus for the year is £899,550 (2016: £717,505).

The charity's own surplus for the year is £692,079 (2016: £650,256). Both periods saw gains on listed investments (2017: £871,423; 2016: £727,979).

The charity has made grants in this period of £376,139 (2016: £322,700), further details of which are set out in Note 17.

Total funds have increased in the year by £899,550, so that consolidated funds are in excess of £12m.

Reserves policy

The trustees aim to hold sufficient reserves to make grants in line with the charitable objectives. The annual grants are paid from the investment income supported by the charities unrestricted reserves as they see fit.

The charity's unrestricted funds of £11,151,619 is represented by investments, and it is the policy of the trustees to preserve the real value of the investments for future generations of beneficiaries.

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Trustees' Annual Report
Year ended 31 August 2017

Investment policy

Quoted investments

The trustees' investment policy is for the charity's portfolio to achieve a total return from both income and capital growth, whilst employing a medium-risk investment strategy.

Historically, the portfolio has largely been invested in equities via collective investment schemes such as unit trusts and open ended investment companies. These vehicles provide wide investment diversification which reduces investment risk. The funds included in the portfolio are operated by reputable fund management groups, and managed on a daily basis by some of the most talented investment managers in the UK, in turn supported by analysts and in many cases also by risk management teams. The funds selected for the portfolio have delivered consistent investment returns across the economic cycle.

Of the equity exposure 9% is in ethical funds. Historically, £150,000 has been remitted from the total portfolio to the AIM bank account with Coutts & Co to meet the trustees' grant making requirements. Consequently, income generated by the portfolios is not reinvested.

The performance of the portfolios and asset allocation are reviewed quarterly by the trustees with the portfolio manager and performance is compared against the ARC Sterling Balanced Charity benchmark (which includes reinvested income).

A decision has been taken to exclude bond and fixed interest investments from the MICL portfolio for the time being, and replaced by absolute return funds which have a lower correlation with equity investments.

The initial terms of the settlement are such that the trustees may pay out or apply the income and the whole part of the capital of the trust fund to charitable bodies for charitable purposes. The trustees have wide powers of investment and to that end the trustees employ two professional fund managers to invest the capital of the Foundation on the world's stock markets including funds and investments with a social, ethical and environmental emphasis. The performance of the fund managers is monitored closely by the trustees on a quarterly basis.

The trustees have assessed the major risks to which the Foundation is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

Unquoted investments

The WHEB Fund and the investment in Aquaspy are both unquoted investments and represent a higher risk, however this is as part of the overall portfolio held and therefore is considered part of the trustees overall medium risk strategy.

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Trustees' Annual Report
Year ended 31 August 2017

Structure, governance and management

The Foundation was established by a charitable trust deed on 3 September 1971, and was known as the Ian Roy Marks Charitable Trust. The name was changed by a trustees' resolution to The AIM Foundation on 14 April 1993.

The trustees who served during the year were:

Ian Marks CBE DL
Angela Marks
Philippa Bailey
Caroline Marks
Joanna Precious
Nicholas Marks

There are currently six trustees, which completes the original trustees' plans for succession.

During the year, Ian Marks stepped down as Chair and Caroline Marks became Chair. Ian Marks and Angela Marks became Founder Trustees

The AIM Foundation
Trustees' Annual Report
Year ended 31 August 2017

Reference and administrative details

Charity registration number	263294
Trustees	Ian Marks CBE DL (Deceased – January - 2018) Angela Marks Philippa Bailey Caroline Marks Joanna Precious Nicholas Marks
Principal Office	Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE
Bankers	Coutts & Co 440 Strand London EX4 3ZB
Solicitors	Farrer & Co 66 Lincoln Fields London WC2A 3LH
Auditors	PKF Francis Clark Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE

The AIM Foundation
Trustees' Annual Report
Year ended 31 August 2017

Statement of Trustees' Responsibilities

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and the regulations made under s154 of the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Report was approved by the trustees and signed on their behalf by:

N MARKS

Date: 14 June 2018

The AIM Foundation
Independent Auditors Report to the Trustees
Year ended 31 August 2017

Opinion

We have audited the financial statements of The AIM Foundation (the “Charity”) for the year ended 31 August 2017 which comprise of Group Statement of Financial Activities, Group and Parent Balance Sheets, Statement of Consolidated 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and charity’s affairs as at 31 August 2017 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Charity 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.

Use of our Report

This report is made solely to the Charity’s trustees, as a body, in accordance with Part 4 of the Charities (Account and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

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

- the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The AIM Foundation
Independent Auditors Report to the Trustees
Year ended 31 August 2017

Other information

The trustees 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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 trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

The AIM Foundation
Independent Auditors Report to the Trustees
Year ended 31 August 2017

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Date 19 June 2018

PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The AIM Foundation
Consolidated Statement of Financial Activities
Year Ended 31 August 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016
Income					
Donations and legacies		129,995	-	129,995	130,002
<i>Income from other trading activities:</i>					
Commercial trading operations	3	5,019,369	-	5,019,369	4,002,123
Investment income	1	172,585	-	172,585	189,491
Other income	2	-	-	-	1,333
Total income		<u>5,321,949</u>	<u>-</u>	<u>5,321,949</u>	<u>4,322,949</u>
Expenditure					
<i>Expenditure on raising funds:</i>					
Commercial trading operations	3	4,811,898	-	4,811,898	3,934,874
Investment management costs		85,589	-	85,589	67,644
Expenditure on charitable activities	4	396,335	-	396,335	330,905
Total expenditure		<u>5,293,822</u>	<u>-</u>	<u>5,293,822</u>	<u>4,333,423</u>
Net gains/ (losses) on investments		871,423	-	871,423	727,979
Net income/(expenditure) and net movement in funds		<u>899,550</u>	<u>-</u>	<u>899,550</u>	<u>717,505</u>
Reconciliation of funds					
Total funds brought forward		10,252,069	910,000	11,162,069	10,444,564
Total funds carried forward		<u><u>11,151,619</u></u>	<u><u>910,000</u></u>	<u><u>12,061,619</u></u>	<u><u>11,162,069</u></u>

All income and expenditure for the previous year was unrestricted.

The AIM Foundation
Balance Sheets
31 August 2017

		2017		2016	
	Note	Consolidated £	Charity £	Consolidated £	Charity £
Fixed assets					
Tangible assets	6	405,188	1	399,417	1
Investments	7	10,134,837	11,044,837	8,878,365	9,788,365
		<u>10,540,025</u>	<u>11,044,838</u>	<u>9,277,782</u>	<u>9,788,366</u>
Current assets					
Stocks	8	910,315	-	708,796	-
Debtors	9	229,888	-	340,885	12,649
Cash at bank and in hand		1,127,153	332,439	1,415,138	884,183
		<u>2,267,356</u>	<u>332,439</u>	<u>2,464,819</u>	<u>896,832</u>
Creditors: amounts falling due within one year	10	(687,271)	(9,906)	(545,233)	(9,906)
Net current assets		<u>1,580,085</u>	<u>322,533</u>	<u>1,919,586</u>	<u>886,926</u>
Total assets less current liabilities		12,120,110	11,367,371	11,197,368	10,675,292
Provisions: Deferred taxation	11	(58,491)	-	(35,299)	-
Net assets		<u>12,061,619</u>	<u>11,367,371</u>	<u>11,162,069</u>	<u>10,675,292</u>
Funds					
Restricted funds		910,000	910,000	910,000	910,000
Unrestricted funds		11,151,619	10,457,371	10,252,069	9,765,292
Total funds	12	<u>12,061,619</u>	<u>11,367,371</u>	<u>11,162,069</u>	<u>10,675,292</u>

The financial statements on pages 13 to 27 were approved by the trustees on 14 June 2018 and signed on their behalf by:-

N J MARKS

Trustee

The AIM Foundation
Statement of Cash Flows
31 August 2017

	Group 2017 £	Group 2016 £
Cash flows from operating activities		
Net income for the year	899,550	717,505
Adjustments:		
Depreciation	73,227	72,670
Gains on investments	(871,423)	(727,979)
Loss on sale of assets	18,523	21,595
Corporation tax expense	23,192	23,993
Corporation tax paid	(12,232)	-
	130,837	107,784
Working capital adjustments:		
Increase in stock	(201,519)	(23,712)
Decrease/(Increase) in debtors	110,997	(77,210)
Increase in creditors	154,270	65,117
Net cash provided by operating activities	194,585	71,979
Cash flows from investing activities		
Acquisition of tangible assets	(97,521)	(125,074)
Acquisition of fixed asset investments	(1,654,619)	(2,200,111)
Proceeds from sale of tangible assets	-	-
Proceeds from sale of fixed asset investments	1,269,570	2,693,597
Net cash flows from investing activities	(482,570)	368,412
Net increase/(decrease) in cash and cash equivalents	(287,985)	440,391
Cash and cash equivalents at 1 September	1,415,138	974,747
Cash and cash equivalents at 31 August	1,127,153	1,415,138

The AIM Foundation

Notes to the Financial Statements

31 August 2017

1. General information

The AIM Foundation is a private trust, registered as a charity. Details of the charity including the registered office is shown in Reference and Administrative details in the Trustees report.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:-

a. Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trustees have assessed the charity's activities with regard to the Charity Commission's guidance on public benefit. The AIM foundation meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the charity's ability to continue as a going concern.

The functional currency of The AIM Foundation is considered to be Pounds Sterling as that is the currency of the primary economic environment in which the foundation operates.

b. Group accounts

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Cytoplan Limited (formally trading as Nature's own Limited) and Nature's Own Limited (formally trading as Cytoplan Limited), on a line by line basis. The subsidiaries are both registered companies incorporated in England and Wales.

The AIM foundation has taken advantage of the exemption not to prepare a cash flow statement for the parent charity entity, as consolidated financial statements have been prepared and the members have not objected to the exemption being taken.

c. Funds structure

The restricted fund represents assets held for a specific purpose.

Unrestricted funds comprise accumulated surpluses and deficits on general funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

The AIM Foundation
Notes to the Financial Statements
31 August 2017

Accounting policies (continued)

d. Income

All income is included in the Statement of Financial Resources (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

- Donations and legacies is received by way of donations and gifts and is included in full in the Statement of Financial Activities, where receivable.
- Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity is entitled to the grant
- income from trading activities is included in the SOFA in the period to which it relates

e. Financial Instruments

Financial assets and liabilities are recognised/(derecognised) when the charity becomes/(ceases to become) party to the contractual provisions of the instrument. The charity holds the following basic financial assets and liabilities:

- Short term debtors and creditors
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.
- Fixed asset investments qualifying as basic financial instruments
Non-basic equity investments are measured at fair value through income and expenditure.

Other financial instruments not qualifying as basic

- Convertible loan stock has been recognised as a non-basic investment. All non-basic investments are carried at fair value except to the extent that a reliable measurement of fair value cannot be established, in which case the investment is carried at cost less impairment.

f. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings which aggregate all costs related to the category. Grants payable represent amounts committed for charitable purposes to institutions in the financial period.

g. Fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

h. Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Leasehold buildings	- straight line over 5 to 25 years
Fixtures and fittings	- straight line over 3 - 25 years
Plant and machinery	- straight line over 3 - 10 years
Motor vehicles	- straight line over 3 - 5 years
Computer equipment	- straight line over 3 - 5 years

The AIM Foundation
Notes to the Financial Statements
31 August 2017

Accounting policies (continued)

i. Stocks

Stock is included at the lower of cost or net realisable value, after making due allowance for obsolete and slow-moving items. Cost comprises all direct expenditure including variable overheads.

j. Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

k. Pension costs

The trading subsidiaries operate a defined contribution scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities (SOFA). The charity itself has no employees.

l. Irrecoverable VAT

Irrecoverable VAT is charged as a cost within the Statement of Financial Activities.

The AIM Foundation
Notes to the Financial Statements
31 August 2017

1) Investment income

	Total 2017	Total 2016
	£	£
Income from listed investments	172,489	189,295
Interest receivable - charity	96	196
	172,585	189,491

2) Other income

	Total 2017	Total 2016
	£	£
Rebated commissions	-	1,183
Miscellaneous	-	150
	-	1,333

3) Investment in subsidiaries

Cytoplan Limited (formally trading as Nature's Own Limited) / Nature's Own Limited (formally trading as Cytoplan Limited)

The wholly-owned trading subsidiaries are incorporated in the United Kingdom. Nature's Own limited (formally trading as Cytoplan Limited) is a wholly-owned subsidiary of Cytoplan Limited (formally trading as Nature's Own Limited). The principal activity of both companies is the supply of vitamin, mineral and enzyme preparations. The pro forma consolidated results are as follows:

	2017	2016
	£	£
Summary profit and loss account		
Turnover	5,019,369	4,002,123
	5,019,369	4,002,123
Cost of sales, distribution and administrative expenses	(4,770,183)	(3,889,285)
Operating profit / (loss)	249,186	112,838
Loss on disposal of tangible fixed assets	(18,523)	(21,596)
Taxation	(23,192)	(23,993)
Retained profit / (loss) for the year	207,471	67,249

The AIM Foundation
Notes to the Financial Statements
31 August 2017

3) Investment in subsidiaries (continued)

The assets and liabilities of the subsidiaries were:

Tangible fixed assets	405,287	629,195
Current assets	2,273,823	2,174,687
Creditors: amounts falling due within one year	(1,016,271)	(1,142,027)
	<hr/>	<hr/>
Total assets less current liabilities	1,662,839	1,661,855
Deferred taxation	(58,491)	(35,299)
	<hr/>	<hr/>
Aggregate share capital and reserves	1,604,348	1,626,556
	<hr/> <hr/>	<hr/> <hr/>

4) Charitable activities

	Total 2017	Total 2016
	£	£
Grants payable (note 11)	376,139	322,700
Bank charges	1,463	510
PG Cert Course grant	-	2,925
Association of Charitable Foundations	155	270
Governance costs:		
Audit and accountancy	5,130	4,500
Other fees and expenses	13,448	-
	<hr/>	<hr/>
	396,335	330,905
	<hr/> <hr/>	<hr/> <hr/>

5) Staff costs

Total staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	1,249,374	938,723
Social security costs	101,558	87,529
Pension payments	69,963	54,689
	<hr/>	<hr/>
	1,420,895	1,080,941
	<hr/> <hr/>	<hr/> <hr/>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2017	2016
	No.	No.
Subsidiaries	42	39
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the Financial Statements
31 August 2017

5) Staff costs (continued)

There were no employees of the charity in either period. Trustees are not remunerated. No expenses were paid to any trustee in the period.

The trustees consider the Board of Trustees comprise the key management personnel.

Total staff costs includes compensation for loss of office of £116,390 (2016: £14,263).

6) Tangible fixed assets

Charity

	Computers	Total
	£	£
Cost		
At 1 September 2016	2,903	2,903
Additions	-	-
	<u>2,903</u>	<u>2,903</u>
At 31 August 2017	2,903	2,903
	<u>2,903</u>	<u>2,903</u>
Depreciation		
At 1 September 2016	2,902	2,902
Charge for the year	-	-
	<u>2,902</u>	<u>2,902</u>
At 31 August 2017	2,902	2,902
	<u>2,902</u>	<u>2,902</u>
Net book value		
At 31 August 2017	1	1
	<u>1</u>	<u>1</u>
At 31 August 2016	1	1
	<u>1</u>	<u>1</u>

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Notes to the Financial Statements
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6) Tangible fixed assets (continued)

Group	Improvements to leasehold property	Plant and equipment	Computers	Total
	£	£	£	£
Cost				
At 1 September 2016	220,707	496,840	2,903	720,450
Additions	9,589	87,932	-	97,521
Disposals	-	(41,767)	-	(41,767)
Transfers	-	(12,493)	-	(12,493)
At 31 August 2017	230,296	530,512	2,903	763,711
Depreciation				
At 1 September 2016	77,957	240,174	2,902	321,033
Charge for the year	22,851	50,376	-	73,227
On disposals	-	(23,244)	-	(23,244)
Transfers	-	(12,493)	-	(12,493)
At 31 August 2017	100,808	254,813	2,902	358,523
Net book value				
At 31 August 2017	129,488	275,699	1	405,188
At 31 August 2016	142,750	256,666	1	399,417

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7) Fixed assets – Investments

	Unlisted investment	Walker Marlborough Crisps	Marlborough Consultants	Wheb Ventures (unlisted)	Aquaspy	Total
	£	£	£	£	£	£
Charity						
Market value b/f	910,000	910,197	7,740,462	172,789	54,917	9,788,365
Additions	-	20,007	1,634,612	-	-	1,654,619
Disposals	-	(32,566)	(1,237,004)	-	-	(1,269,570)
Realised gain / (loss) on disposal	-	9,348	105,016	-	-	114,364
Unrealised gain / (loss)	-	70,104	857,555	(170,600)	-	757,059
At 31 August 2017	910,000	977,090	9,100,641	2,189	54,917	11,044,837
Group						
At 31 August 2017		977,090	9,100,641	2,189	54,917	10,134,837
At 31 August 2016		910,197	7,740,462	172,789	54,917	8,878,365
Historical cost						
At 31 August 2017	910,000	494,568	6,763,226	792,319	54,917	9,015,030
At 31 August 2016	910,000	501,773	6,222,765	792,319	54,917	8,481,774

The value of listed investments at 31 August 2017 was £10,077,732 (2016: £8,650,659). All listed investments are listed in the UK stock exchange and are valued at market value.

Wheb Ventures has been valued by the investment manager.

The Aquaspy investment is convertible loan stock. This is measured at cost less impairment as a reliable measurement of fair value could not be established.

8) Stocks

	Group 2017	Charity 2017	Group 2016	Charity 2016
	£	£	£	£
Finished goods	910,315	-	708,796	-

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9) Debtors

	Group	Charity	Group	Charity
	2017	2017	2016	2016
	£	£	£	£
Trade debtors	175,348	-	195,869	-
Other debtors	54,540	-	145,016	12,649
	<u>229,888</u>	<u>-</u>	<u>340,885</u>	<u>12,649</u>

10) Creditors: amounts falling due within one year

	Group	Charity	Group	Charity
	2017	2017	2016	2016
	£	£	£	£
Trade creditors	401,742	-	184,475	-
Corporation tax creditor	-	-	12,232	-
Other taxation and social security	129,474	-	178,470	-
Other creditors	149,149	-	160,150	-
Accruals and deferred income	9,906	9,906	9,906	9,906
	<u>687,271</u>	<u>9,906</u>	<u>545,233</u>	<u>9,906</u>

11) Provisions – Deferred taxation

	Consolidated
	£
At 1 September 2016	35,299
Charge / (credit) for the year	23,192
At 31 August 2017	<u>58,491</u>

Deferred taxation arises in respect of fixed asset timing differences for corporation tax purposes in Cytoplan Limited (formally trading as Nature's Own Limited).

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12) Funds

Unrestricted funds

	Balance at 1 Sep 2016	Incoming resources	Outgoing resources	Investment movements	Balance at 31 Aug 2017
	£	£	£	£	£
Charity	9,765,292	302,580	(481,924)	871,423	10,457,371
Subsidiaries	486,777	5,019,369	(4,811,898)	-	694,248
Total unrestricted funds	10,252,069	5,321,949	(5,293,822)	871,523	11,151,619

Restricted Funds

	Balance at 1 Sep 2016	Incoming resources	Outgoing resources	Transfers	Balance at 31 Aug 2017
	£	£	£	£	£
Total restricted funds	910,000	-	-	-	910,000
Total funds	910,000	-	-	-	910,000

The charity owns 100% of the issued share capital of Cytoplan Limited (formally trading as Nature's Own Limited) which in turn owns 100% of the issued share capital of Nature's Own Limited (formally trading as Cytoplan Limited). These companies provide uniquely bio effective "food state" nutritional supplements which are designed to compensate for known dietary shortfalls in the population which predispose to western diseases. The goal of this work is to help optimise the health of the nation.

The investment described above is held subject to restrictive conditions imposed by the donors. The market value of the shares at the date of the original gift has been estimated by the trustees.

13) Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fixed assets	9,630,025	910,000	10,540,025
Cash at bank and in hand	1,127,153	-	1,127,153
Other net current assets	452,932	-	452,932
Long term liabilities	(58,491)	-	(58,491)
	11,151,619	910,000	12,061,619

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14) Financial Instruments

Categorisation of financial instruments

Group

	2017 £	2016 £
Financial assets:		
Equity instruments measured at fair value through income and expense	10,134,837	8,878,365
Debt instruments measured at transaction price	229,888	340,885
	<u>10,364,725</u>	<u>9,219,250</u>
Financial Liabilities:		
Measured at transaction price	<u>547,891</u>	<u>344,625</u>

15) Other financial commitments

At 31 August 2017 there were total commitments under non-cancellable operating leases as set out below:

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
<i>Amounts payable:</i>				
Within one year	101,801	92,528	-	-
In two to five years	384,484	390,708	-	-
Over five years	168,658	228,000	-	-
	<u>654,943</u>	<u>711,236</u>	<u>-</u>	<u>-</u>

16) Related Party Transactions

The Foundation's policy is that, where trustees or their immediate family have a connection with recipient organisations, they should declare their interest. In the period the following grants were made:

New Economics Foundation	£Nil (2016: £80,000)
Health Empowerment Through Nutrition	£20,000 (2016: £20,000)
Devon Community Foundation	£Nil (2016: £5,000)
Essex Community Foundation	£Nil (2016: £27,000)

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17) Grants payable to institutions	2017 £	2016 £
Research and Campaigning		
Nutrition and Well-being		
Health empowerment Through Nutrition	20,000	20,000
New Economics Foundation	-	80,000
Lancaster University – Dementia Review	32,139	-
Young People		
Impetus-PEF	75,000	75,000
Jamie’s Farm – The Lighthouse Facility	15,000	
Mental Well-Being		
The Royal Foundation	10,000	-
Early Years		
The Wave Trust	25,000	25,000
Mellow Parenting	25,000	-
Prevention		
Early Years		
Institute of Health Visiting	27,000	-
Young People		
The Lighthouse Group	20,000	20,000
The Who Cares? Trust	-	10,000
Support		
Young People		
The Children’s Society	40,000	15,000
East Anglian Children’s Hospice	-	5,000
Cirdon Sailing Trust	-	2,000
Mental Well-Being		
Essex Community Foundation	-	27,000
Early Years		
Parent’s First	25,000	-
Community		
Wells for India	10,000	10,000
Devon Community Foundation	-	5,000
Families in Focus	-	5,000
Friends of the Poor South India	10,000	-
The Silver Line	1,000	6,000
Chelmsford Counselling	5,000	-
Marie Curie Cancer Care	1,000	-
Gifts		
Sports Aid	-	-
Duchenne Children’s Trust	5,000	5,000
St Clare Hospice	-	5,000
Other Grants < £2,000	-	7,700
Worship Co of Plumbers	10,000	-
CoHoc – Colchester Cancer Centre	20,000	-
	376,139	322,700
	376,139	322,700