



The AIM Foundation

Annual Report

Year ended 31 August 2019

Charity number 263294

The AIM Foundation
Year ended 31 August 2019

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The AIM Foundation

Trustees' Annual Report

Year ended 31 August 2019

The Trustees present their Report and Financial Statements for the year ended 31 August 2019. 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, usually contributing towards core costs of medium sized organisations where we feel our multi-year funding can help build capacity. The trustees make grants only to charities which have been pro-actively sought, sometimes in collaboration with other funders, and well researched, to ensure that they are soundly managed and that their project outcomes contribute towards meeting the Foundation's strategic aims and funding programmes. A full list of grants is shown at the end of the financial statements.

The trustees' grant making policy is to be highly proactive in seeking out potential partners within the above stated objectives and the strategic areas shown in our Mission below. 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

Our overall aim is to support work to promote wellbeing by funding charitable organisations working to address today's needs and to prevent problems arising. In order to achieve this overall goal, AIM has a strategy to identify and fund three strands of work (Research and Policy, Prevention and Direct Delivery of Support) across our current three strategic areas:

- a) **Nutrition for Health and Wellbeing** – to increase the understanding of the importance of nutrition and life-style for health and wellbeing.
- b) **Young People** – to improve the life chances of young people, especially around the transition from school to employment, and their emotional and mental wellbeing.
- c) **Early Years** – to improve the emotional and social development of young children from vulnerable families by giving them the best start, through developing attuned parent infant relationships

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Trustees' Annual Report (continued)
Year ended 31 August 2019

Achievements and performance

1. NUTRITION FOR HEALTH AND WELLBEING

All the charities supported in this strategic area are funded from profits from Cytoplan. In 2018/19 £200,000 was transferred to The AIM Foundation.

A scoping study was commissioned in 2017, which highlighted the importance of good nutrition in determining the resilience of an individual to everyday stresses and susceptibility to chronic non-communicable diseases. The report identified a wide range of opportunities to use our funding to make an impact and the Trustees decided to focus on improving the understanding of Nutrition for Health amongst GPs and other health professionals.

During 2018/19 the following 5 small organisations were selected for funding. The groups came together to share their positive progress and learning at a roundtable meeting in November 2019. The AIM Foundation is considering making further multi-year grants to continue the work of the individual organisations, as well as collaborative work, in 2020.

RESEARCH AND POLICY

NNEdPro, a think tank and research consortium linked with Cambridge University and publishers of the British Medical Journal on Nutrition, has undertaken a survey amongst UK doctors and medical students to establish the need and desire for nutrition education. They have run conferences for doctors and other health care professionals and a roadshow. They have developed e-learning resources and published a new textbook. In December 2019 they will engage policymakers in the campaign to improve nutrition in NHS secondary care.

Nutritank is a small start-up run by medical students in Bristol. They campaign to increase and improve nutrition and lifestyle education in medical schools. Their impressive effort has resulted in hundreds of students and junior doctors joining their movement and they now have branches at 26 medical schools. The public awareness was increased by being featured on Jamie Oliver's Channel 4 programme "Friday Night Feast" and from his continued support.

PREVENTION

Institute of Health Visiting, who train and maintain standards of Health Visitors nationally, improved their nutritional advice given to families with young children. With their grant they updated their training materials and ran four training days for Nutrition Champions to become advocates and leaders in their organisations, cascading the learning to their colleagues. Further courses are planned as there is a waiting list of interest.

Culinary Medicine developed and ran a range of evidence-based courses "Using Food as Medicine" for medical students and qualified doctors. Their clinical nutrition and practical cooking skills training delivered last year included: four weekly speciality modules at Bristol Medical School; video workshops for GPs; and compulsory day training for all 5th-year students at UCL Medical School.

College of Medicine and Integrated Health were enabled to offer bursaries for GPs in training at their Conference in October "Food on Prescription", which included looking at the relationship of food to major lifestyle conditions.

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Trustees' Annual Report (continued)
Year ended 31 August 2019

2. YOUNG PEOPLE

RESEARCH AND POLICY

For many years AIM has supported the work of **Impetus**, who works with their charity partners to develop effective approaches to get disadvantaged and under-achieving poorer young people the support that they need to succeed. AIM has contributed to this organisation for many years and now focusses its financial support towards research to try to influence government policy and decision-makers to address the difficult transition some young people have from leaving school and going into employment.

Young Minds is the UK's leading charity championing the well-being and mental health of children and young people. The AIM Foundation continued its commitment of £24,000 per year to support their policy influencing work. Young Minds have contributed to the guidance around the Mental Health Act review, campaigned to Act Early in addressing the factors that make young people's mental health worse, advised on the transformation of CAMHS, and influenced the regulations to help children and young people navigate the online world in a way that positively affects their mental health and wellbeing.

MAC-UK was awarded £73,824 over 3 years to co-design and co-deliver a public health and prevention strategy with young people with lived experience of the wider determinants of poor mental health. The proposed project will provide support for 12 young people, who will seek to influence the organisations that make decisions about young people's lives to shift resources towards co-produced initiatives.

CYPMHC received an annual contribution of £5,000 towards their collaboration work of policy campaigns for Young People's mental health.

PREVENTION

A new three-year programme of funding interventions for young people that prevent mental well-being and escalation of difficulties was established. Five proposals from medium-sized effective organisations were funded in May.

42nd Street was awarded a 6 months development grant of £10,000 to conduct an analysis of the national market and pilot some specific training for frontline professionals. Since then a 3-year award has been made towards scaling nationally their courses to develop the skills of artists working in creative ways to help vulnerable young people, and de-escalation approaches for professionals working with young people presenting in crisis.

Campaign Against Living Miserably (CALM) was awarded £75,000 towards the year 1 costs of their 3 year RIO project, which will use technology to improve the response to webchat and helpline callers. While users wait for a helpline worker to be available, RIO will engage with chat users and assess their needs, determining the urgency and nature of their query to enable the right help to be given at the right time.

Papyrus was awarded £69,840 over 3 years to deliver 30 training courses in suicide awareness and prevention per year in the West Midlands. These include shorter Suicide Awareness session for anyone who needs to deepen their understanding, an accredited half-day course for people who have pastoral care or responsibility for young people to enable them to identify and talk about suicide, and a two day, skills-building workshop that prepares caregivers to provide suicide first aid interventions.

The AIM Foundation
Trustees' Annual Report (continued)
Year ended 31 August 2019

Student Minds were awarded £24,990 over 12 months to pilot peer support groups across 10 universities. Student Minds will develop and implement this new national peer support programme for first-year students, focusing on well-being, self-care and resilience building, and supporting them with the transition from school/college to university.

Youthscape was awarded £75,000 towards the costs of delivering the Alumina programme over three years. The Alumina programme is a live online service for young people aged 14-19 seeking help about self-harming. It helps young people reduce or stop harming by giving them tried and tested strategies for coping with their emotions in other ways.

DIRECT DELIVERY OF SUPPORT

The Children's Society continued to receive the final grant at £40,000 towards the Community Hidden Harm Awareness Team in East Anglia. This project improves 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.

3. EARLY YEARS

RESEARCH AND POLICY

The Wave Trust try to reduce the damaging, inter-generational family cycles of childhood neglect and abuse. The AIM Foundation continues to support their social policy and campaign work to address Adverse Childhood Experiences.

Best Beginnings work to inform and empower parents through their evidence-based accredited Baby Buddy app, to maximise their children's long-term development and wellbeing. A new commitment of £75,000 over three years has been made by AIM towards their Parent Leaders project reaching vulnerable and at-risk parents in Newham and Birmingham. The project will support grass-root organisations to use digital innovation in their on-going work with new parents. This aims to create opportunities for seldom heard voices of marginalised women to influence local, regional and national policy and practice.

PREVENTION

Institute of Health Visiting was awarded a further 2-year grant of £80,000 towards maintaining and extending the regional forums of Perinatal Mental Health Champions to help disseminate best practice and research around helping families needing support in their mental well-being around the time of birth.

Cued Speech is a small charity that helps deaf babies learn to communicate through making the spoken language more visual. Our second-year grant of £22,000 per year was made towards the core costs to increase their capacity.

Association of Infant Mental Health (AIMH) were awarded a new commitment of £55,000 over two years. This will enable AIMH to develop the Infant Mental Competencies Framework and Recognition Register. The objective is to up-skill practitioners working with at-risk pregnant women and parents and their infants to strengthen their attachment and therefore improve their emotional and social development.

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Trustees' Annual Report (continued)
Year ended 31 August 2019

DIRECT DELIVERY OF SUPPORT

Parent's First received its third year's contribution of £25,000 to their work in deprived areas of Essex training 'community parent' volunteers. These volunteers then provide peer-support to vulnerable mothers of infants.

4. OTHER/ COMMUNITY SUPPORT ADDRESSING WELLBEING

PREVENTION

Action for Happiness is a small organisation who are working to reduce the number of people suffering from mental health problems and increase the number of people feeling good, functioning well and helping others. As well as our commitment of £15,000 towards the communication strategy, an additional one-off grant was made towards updating their website.

DIRECT DELIVERY OF SUPPORT

Cancer Campaign in Suffolk

A one off grant of £5,000 was given to fund their peer support groups for women suffering from cancer and the side effects of their treatment, especially around how they feel about their appearance.

5. GIFTS AND DONATIONS

Some small grants are awarded at the discretion of individual trustees or family ambassadors. Some of these are made as a way of researching and learning about new areas of funding. These are included in the full list at the end of the Financial Statement and Annual Report.

The AIM Foundation
Trustees' Annual Report (continued)
Year ended 31 August 2019

Financial review

The results include the audited financial statements of Cytoplant Limited and its wholly owned subsidiaries, Nature's Own Limited and Biogrow Limited. The results of the subsidiary are detailed in Note 4. A gift aid payment of £200,000 has been made from Cytoplant Limited to The AIM Foundation.

The consolidated surplus for the year is £379,702 (2018: £1,283,218).

The charity's own result for the year is £(113,947) deficit (2018: £745,314 surplus). Both periods saw gains on listed investments 2019: £250,561 (2018: £901,693).

The charity has made grants in this period of £656,749 (2018: £388,000), further details of which are set out in Note 19.

Total funds have increased in the year by £379,702 so that consolidated funds are in excess of £12.4m.

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 £11,504,818 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.

The AIM Foundation
Trustees' Annual Report (continued)
Year ended 31 August 2019

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. All of these investment schemes are regulated by the Financial Conduct Authority (FCA). The funds selected for the portfolio have delivered consistent investment returns across the economic cycle.

Of the equity exposure approximately 11% is in ethical funds. The trustees have always been concerned to integrate ESG risks and opportunities into the investment selections. Morningstar (rating agency) now includes an ESG/sustainability score for each of the funds that it researches. The score is numbered 1 to 5 with 1 representing the lowest score. The trustees have asked the portfolio manager to review the AIM Foundation portfolio with a view to establishing ESG/sustainable scores for each of the funds.

During the year ended 31st August 2019 £339,790 has been remitted from the AIM investments to the bank account with Coutts & Co to meet the trustees' grant making requirements. Consequently, income generated by the portfolio is not reinvested. The performance of the portfolio and asset allocation is reviewed quarterly by the trustees with the portfolio manager and performance is compared against the ARC Sterling Balanced Charity benchmark (which includes reinvested income).

Quantitative easing has distorted the pricing of bond and fixed interest investments which, for the time being, have been excluded from the MICL portfolio. The portfolio does include two absolute return funds as a proxy. These funds 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 MICL Limited 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 trustees have provided MICL Limited with full discretion over the management of the AIM Foundation portfolio. The performance of the investments is monitored closely by both MICL Limited and 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, the unquoted investments represent a relatively small part of the total investment portfolio held by AIM which is consistent with the trustees overall medium risk strategy.

The AIM Foundation
Trustees' Annual Report (continued)
Year ended 31 August 2019

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:

Angela Marks
Philippa Bailey
Caroline Marks
Joanna Precious
Nicholas Marks

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

The AIM Foundation do consider Trustee Training at each meeting. The Chair has taken part in several Network and Training sessions organised by the Association of Charitable Foundations during the year. Two other Trustees are planning to do training in 2020, both online and in person. In Autumn 2018 and 2019, an awareness day was organised with the AIM Foundation's ambassadors. This is part of the long-term succession planning for Trustees.

The AIM Foundation
Trustees' Annual Report (continued)
Year ended 31 August 2019

Reference and administrative details

Charity registration number	263294
Trustees	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 (continued)
Year ended 31 August 2019

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

8 June 2020

The AIM Foundation
Independent Auditors Report to the Trustees
Year ended 31 August 2019

Opinion

We have audited the financial statements of The AIM Foundation (the “Charity”) for the year ended 31 August 2019 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 2019 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.

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 (continued)

Year ended 31 August 2019

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 11, 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 (continued)

Year ended 31 August 2019

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under S151 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.

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.

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

Date: 25 June 2020

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 2019

		Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	Note	£	£	£	£
Income					
Donations and legacies		19,999	-	19,999	10,000
<i>Income from other trading activities:</i>					
Commercial trading operations	4	6,852,335	-	6,852,335	6,018,702
Investment income	3	185,081	-	185,081	206,417
Total income		<u>7,057,415</u>	<u>-</u>	<u>7,057,415</u>	<u>6,235,119</u>
Expenditure					
<i>Expenditure on raising funds:</i>					
Commercial trading operations	4	6,161,122	-	6,161,122	5,360,798
Investment management costs		87,243	-	87,243	91,252
Expenditure on charitable activities	5	679,909	-	679,909	401,544
Total expenditure		<u>6,928,274</u>	<u>-</u>	<u>6,928,274</u>	<u>5,853,594</u>
Net gains/ (losses) on investments	9	250,561	-	250,561	901,693
Net income/(expenditure) and net movement in funds		<u>379,702</u>	<u>-</u>	<u>379,702</u>	<u>1,283,218</u>
Reconciliation of funds					
Total funds brought forward		11,125,116	910,000	12,035,116	10,751,898
Total funds carried forward	14	<u>11,504,818</u>	<u>910,000</u>	<u>12,414,818</u>	<u>12,035,116</u>

All income and expenditure for the previous year was unrestricted.

The AIM Foundation
Balance Sheet
31 August 2019

		2019		2018	
	Note	Consolidated £	Charity £	Consolidated £	Charity £
Fixed assets					
Intangible assets	7	92,805	-	140,964	-
Tangible assets	8	253,724	-	231,181	-
Investments	9	10,388,683	11,298,683	10,883,761	11,793,761
		<u>10,735,212</u>	<u>11,298,683</u>	<u>11,255,906</u>	<u>11,793,761</u>
Current assets					
Stocks	10	1,512,497	-	1,154,308	-
Debtors	11	371,130	-	424,648	-
Cash at bank and in hand		1,974,882	710,374	1,233,293	329,788
		<u>3,858,509</u>	<u>710,374</u>	<u>2,812,249</u>	<u>329,788</u>
Creditors: amounts falling due within one year	12	(794,981)	(10,319)	(656,736)	(10,864)
Net current assets		<u>3,063,528</u>	<u>700,055</u>	<u>2,155,513</u>	<u>318,924</u>
Total assets less current liabilities		13,798,740	11,998,738	13,411,419	12,112,685
Creditors: amounts falling due after one year	12	(15,250)	-	(11,495)	-
Provisions: Deferred taxation	13a	(58,951)	-	(55,087)	-
Provisions: Pension liability	13b	(1,309,721)	-	(1,309,721)	-
Net assets		<u>12,414,818</u>	<u>11,998,738</u>	<u>12,035,116</u>	<u>12,112,685</u>
Funds					
Restricted funds		910,000	910,000	910,000	910,000
Unrestricted funds		11,504,818	11,088,738	11,125,116	11,202,685
Total funds	14	<u>12,414,818</u>	<u>11,998,738</u>	<u>12,035,116</u>	<u>12,112,685</u>

The financial statements on pages 15 to 30 were approved by the trustees on 8 June 2020 and signed on their behalf by:-

N J MARKS

Trustee

The AIM Foundation
Consolidated Cash Flow statement
31 August 2019

	Group 2019 £	Group 2018 £
Cash flows from operating activities		
Net income for the year	379,702	1,283,218
Adjustments:		
Amortisation of intangibles	21,350	24,415
Depreciation	39,677	38,563
Gains on investments	(250,561)	(901,693)
Impairment of investment	-	2,189
Loss on sale of assets	36,354	901
Corporation tax expense	114,998	32,168
Corporation tax paid / (refund)	(32,168)	12,292
	309,352	492,053
Working capital adjustments:		
Increase in stock	(358,189)	(243,993)
Decrease/(Increase) in debtors	53,518	(194,760)
Increase)/(Decrease) in creditors	63,034	(66,904)
Net cash provided by operating activities	67,715	(13,604)
Cash flows from investing activities		
Acquisition of intangible assets	(289)	(11,263)
Acquisition of tangible assets	(71,476)	(19,574)
Acquisition of fixed asset investments	(1,359,209)	(4,180,561)
Proceeds from sale of fixed asset investments	2,104,848	4,331,142
Net cash flows from investing activities	673,874	119,744
Net increase/(decrease) in cash and cash equivalents	741,589	106,140
Cash and cash equivalents at 1 September	1,233,293	1,127,153
Cash and cash equivalents at 31 August	1,974,882	1,233,293

The AIM Foundation

Notes To The Financial Statements

31 August 2019

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair view'. The departure has involved following Accounting and Reporting applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

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. Post year end the Covid-19 crisis has resulted in a temporary fall in the value of investments and may impact future investment income. Grants are awarded only when there are sufficient reserves and income therefore the Trustees consider that the going concern assumption remains appropriate.

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, Nature's Own Limited and Biogrow 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.

The AIM Foundation

Notes To The Financial Statements (continued)

31 August 2019

Accounting policies (continued)

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.

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. Intangible Assets

Intangible assets are amortised straight line over the useful life of the asset.

Computer software and consultancy - 15% reducing balance

h. Fixed assets

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

The AIM Foundation

Notes To The Financial Statements (continued)

31 August 2019

Accounting policies (continued)

i. 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

j. 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.

k. 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.

l. Defined contribution 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.

m. Other Pensions

The subsidiary company provides a pension to a director. The financial statements include a provision for the expected cost of providing this pension, based on the annuity rates prevailing at the balance sheet date.

n. Irrecoverable VAT

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

3) Investment income

	2019	2018
	£	£
Income from listed investments	182,545	206,417
Interest receivable	2,436	-
Other investment income	100	-
	<u>185,081</u>	<u>206,417</u>

The AIM Foundation

Notes To The Financial Statements (continued)

31 August 2019

4) Investment in subsidiaries

Cytoplan Limited / Nature's Own Limited / Biogrow Limited

Nature's Own Limited is a wholly-owned subsidiary of Cytoplan Limited. During the year Cytoplan Limited acquired 100% of the ordinary share capital in Biogrow Limited. The registered address of wholly-owned trading subsidiaries is: Unit 8, Hanley Road, Hanley Swan, Worcester, WR8 0DX. The wholly-owned trading subsidiaries are incorporated in the United Kingdom. The principal activity of Cytoplan Limited and Nature's Own Limited is the supply of vitamin, mineral and enzyme preparations. The principal activity of Biogrow Limited is the growing of non-perennial crops. The pro forma consolidated results are as follows:

Summary profit and loss account	2019	2018
	£	£
Turnover	6,852,335	6,018,702
	6,852,335	6,018,702
Cost of sales, distribution and administrative expenses	(6,009,332)	(5,327,729)
Operating profit / (loss)	843,003	690,973
Loss on disposal of tangible fixed assets	(40,656)	(901)
Interest receivable	2,436	-
Taxation	(111,134)	(32,168)
Retained profit / (loss) for the year	693,649	657,904
The assets and liabilities of the subsidiaries were:		
Intangible assets	92,805	140,964
Tangible fixed assets	253,724	231,281
Current assets	3,148,135	2,482,461
Creditors: amounts falling due within one year	(784,662)	(645,972)
Total assets less current liabilities	2,710,002	2,208,734
Creditors: amounts falling due within one year	(15,250)	(11,495)
Deferred taxation	(58,951)	(55,087)
Pension Liability	(1,309,721)	(1,309,721)
Aggregate share capital and reserves	1,326,080	832,431

The AIM Foundation

Notes to the Financial Statements (continued)

31 August 2019

5) Charitable activities

	2019	2018
	£	£
Grants payable (note 19)	656,749	388,000
Bank charges	245	1,094
Association of Charitable Foundations	860	1,067
Governance costs - Audit and accountancy	8,730	6,090
Other fees and expenses	13,325	5,293
	<u>679,909</u>	<u>401,544</u>

6) Staff costs

Total staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	1,541,327	1,270,913
Social security costs	131,151	105,530
Pension payments	73,387	71,708
	<u>1,745,865</u>	<u>1,448,151</u>

Particulars of employees:

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

	2019	2018
	No.	No.
Subsidiaries	<u>51</u>	<u>47</u>

The AIM Foundation

Notes to the Financial Statements (continued)

31 August 2019

6) 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 £nil (2018: £nil).

7) Intangible Assets

Group	Computer Software	Total
	£	£
Cost		
At 1 September 2018	261,405	261,405
Additions	289	289
Disposals	(95,490)	(95,490)
	<hr/>	<hr/>
At 31 August 2019	166,204	166,204
	<hr/> <hr/>	<hr/> <hr/>
Amortisation		
At 1 September 2018	120,441	120,441
Charge for the year	21,350	21,350
Transfers	(68,392)	(68,392)
	<hr/>	<hr/>
At 31 August 2019	73,399	73,399
	<hr/> <hr/>	<hr/> <hr/>
Net book value		
At 31 August 2019	92,805	92,805
	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2018	140,964	140,964
	<hr/> <hr/>	<hr/> <hr/>

The AIM Foundation
Notes to the Financial Statements (continued)
31 August 2019

8) Tangible fixed assets

Group	Improvements to leasehold property £	Plant and equipment £	Total £
Cost			
At 1 September 2018	230,461	297,627	528,088
Additions	1,995	69,481	71,476
Disposals	(530)	(100,818)	(101,348)
Reclassification of grants	8,326	-	8,326
At 31 August 2019	240,252	266,290	506,542
Depreciation			
At 1 September 2018	120,246	176,661	296,907
Charge for the year	16,588	23,089	39,677
On disposals	(330)	(89,365)	(89,695)
Reclassification of grants	5,929	-	5,929
At 31 August 2019	142,433	110,385	252,818
Net book value			
At 31 August 2019	97,819	155,905	253,724
At 31 August 2018	110,215	120,966	231,181

The AIM Foundation

Notes to the Financial Statements (continued)

31 August 2019

9) Fixed assets – Investments

	Unlisted investment	Walker Marlborough Crisps	Marlborough Consultants	Wheb Ventures (unlisted)	Aquaspy	Total
	£	£	£	£	£	£
Charity						
Market value b/fwd	910,000	958,910	9,869,934	-	54,917	11,793,761
Additions	-	-	1,359,209	-	-	1,359,209
Disposals	-	(960,735)	(1,144,113)	-	-	(2,104,848)
Impairment	-	-	-	-	-	-
Realised gain / (loss) on disposal	-	1,825	(64,473)	-	-	(62,648)
Unrealised gain / (loss)	-	-	313,209	-	-	313,209
At 31 August 2019	910,000	-	10,333,766	-	54,917	11,298,683
Group						
At 31 August 2019		-	10,333,766	-	54,917	10,388,683
At 31 August 2018		958,910	9,869,934	-	54,917	10,883,761
Historical cost						
At 31 August 2019	910,000	-	7,238,309	-	54,917	8,203,226
At 31 August 2018	910,000	478,919	6,724,309	-	54,917	8,168,145

The value of listed investments at 31 August 2019 was £10,333,766 (2018: £10,828,844). All listed investments are listed in the UK stock exchange and are valued at market value.

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.

10) Stocks

	Group 2019	Charity 2019	Group 2018	Charity 2018
	£	£	£	£
Finished goods	1,512,497	-	1,154,308	-

The AIM Foundation

Notes to the Financial Statements (continued)

31 August 2019

11) Debtors

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Trade debtors	197,252	-	261,960	-
Other debtors	173,878	-	162,688	-
	<u>371,130</u>	<u>-</u>	<u>424,648</u>	<u>-</u>

12) Creditors: amounts falling due within one year

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Trade creditors	337,584	-	235,226	-
Other taxation and social security	272,661	-	254,719	-
Other creditors	174,417	-	155,927	-
Accruals and deferred income	10,319	10,319	10,864	10,864
	<u>794,981</u>	<u>10,319</u>	<u>656,736</u>	<u>10,864</u>

Creditors: amounts falling due within one year

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Accruals and deferred income	15,250	-	11,495	-
	<u>15,250</u>	<u>-</u>	<u>11,495</u>	<u>-</u>

13 a) Provisions – Deferred taxation

	Consolidated £
At 1 September 2018	55,087
Charge / (credit) for the year	3,864
At 31 August 2019	<u>58,951</u>

Deferred taxation arises in respect of fixed asset timing differences for corporation tax purposes in Cytoplan Limited.

The AIM Foundation

Notes to the Financial Statements (continued)

31 August 2019

13 b) Provisions – Other pension liability

	Consolidated £
At 1 September 2018	1,309,721
Charge / (credit) for the year	-
At 31 August 2019	1,309,721

14) Funds

2019

Unrestricted funds

	Balance at 1 Sep 2018	Incoming resources	Outgoing resources	Investment movements	Balance at 31 Aug 2019
	£	£	£	£	£
Charity	11,082,685	202,644	(767,152)	250,561	10,768,738
Subsidiaries	42,431	6,854,771	(6,161,122)	-	736,080
Total unrestricted funds	11,125,116	7,057,415	(6,928,274)	250,561	11,504,818

Restricted Funds

	Balance at 1 Sep 2018	Incoming resources	Outgoing resources	Transfers	Balance at 31 Aug 2019
	£	£	£	£	£
Total restricted funds	910,000	-	-	-	910,000
Total funds	910,000	-	-	-	910,000

The charity owns 100% of the issued share capital of Cytoplant Limited which in turn owns 100% of the issued share capital of Nature's Own Limited and Biogrow Limited. These companies provide uniquely bio effective "food state" nutritional supplements which are designed to optimise health and compensate for known dietary shortfalls, which predispose to western diseases.

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.

The AIM Foundation
Notes to the Financial Statements (continued)
31 August 2019

14) Funds (continued)

2018 – Comparatives

Unrestricted funds

	Balance at 1 Sep 2017	Incoming resources	Outgoing resources	Investment movements	Balance at 31 Aug 2018
	£	£	£	£	£
Charity	10,457,371	216,417	(492,796)	901,693	11,082,685
Subsidiaries	(615,473)	6,018,702	(5,360,798)	-	42,431
Total unrestricted funds	9,841,898	6,235,119	(5,853,594)	901,693	11,125,116

Restricted Funds

	Balance at 1 Sep 2017	Incoming resources	Outgoing resources	Transfers	Balance at 31 Aug 2018
	£	£	£	£	£
Total restricted funds	910,000	-	-	-	910,000
Total funds	910,000	-	-	-	910,000

15) Analysis of group net assets between funds

2019

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fixed assets	9,825,012	910,000	10,735,012
Cash at bank and in hand	1,974,882	-	1,974,882
Other net current liabilities	(279,826)	-	(279,826)
Long term liabilities	(15,250)	-	(15,250)
	11,504,818	910,000	12,414,818

The AIM Foundation
Notes to the Financial Statements (continued)
31 August 2019

15) Analysis of group net assets between funds (continued)

2018 - Comparatives

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	10,345,906	910,000	11,255,906
Cash at bank and in hand	1,233,293	-	1,233,293
Other net current assets	922,220	-	922,220
Long term liabilities	(1,376,303)	-	(1,376,303)
	<u>11,125,116</u>	<u>910,000</u>	<u>12,035,116</u>

16) Financial Instruments

**Categorisation of financial instruments
Group**

	2019 £	2018 £
Financial assets:		
Equity instruments measured at fair value through income and expense	10,333,766	10,828,844
Debt instruments measured at transaction price	371,130	424,648
	<u>10,704,896</u>	<u>11,308,409</u>
Financial Liabilities:		
Measured at transaction price	810,231	656,736
	<u>810,231</u>	<u>656,736</u>

17) Other financial commitments

At 31 August 2019 there were total commitments under non-cancellable operating leases as set out below:

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
<i>Amounts payable:</i>				
Within one year	115,888	99,484	-	-
In two to five years	415,183	380,000	-	-
Over five years	-	73,658	-	-
	<u>531,071</u>	<u>553,142</u>	<u>-</u>	<u>-</u>

18) 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. There are no related party transactions requiring disclosure (2018: none).

The AIM Foundation

Notes to the Financial Statements (continued)

31 August 2019

19) Grants payable to institutions	2019	2018
	£	£
Research and Campaigning		
Nutrition and Well-being		
College of Medicine	16,750	-
Institute of Health Visiting	29,880	-
Lancaster University – Dementia Review	-	50,000
Lord Rana Foundation	40,000	-
Culinary Medicine	20,000	-
Young People		
Impetus-PEF	75,000	75,000
Young Minds Trust	24,000	23,500
Jamie's Farm – The Lighthouse Facility	-	15,000
Nutritank	20,067	-
MAC-UK	25,782	-
CYPMH	5,000	-
Early Years		
The Wave Trust	25,000	25,000
Mellow Parenting	-	-
Best Beginnings	25,000	-
Prevention		
Young People		
The Lord Mayors	-	30,000
Action for happiness	25,000	15,000
Papyrus	23,280	-
Youthscape	25,000	-
Student Minds	24,990	-
42 nd Street	10,000	-
CALM	75,000	-
Early Years		
Institute of Health Visiting	40,000	35,000
Cued Speech Association	22,000	22,000
Association Infant Mental Health	30,000	-
Support		
Young People		
The Children's Society	40,000	40,000
Early Years		
Parent's First	25,000	25,000
Other Support		
Water Harvest / Wells for India	-	30,000
Gifts		
British Red Cross	1,000	-
Breast Cancer Care	1,000	-
Chelmsford Chess	1,000	-
Silver Line	1,000	-
Cancer Campaign	5,000	1,000
Essex Community Foundation	1,000	1,000
Cleft	-	500
	656,749	388,000