

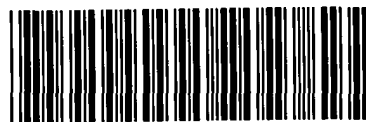
Registered Number: 03862874

**The Great North Air Ambulance Service  
Trading Company Limited**

**Financial Statements - filing copy**

**31 March 2020**

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# Great North Air Ambulance Service Trading Company Limited

## Balance sheet

As at 31 March 2020

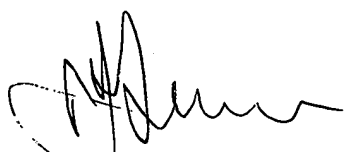
	Note	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	5		49,441		49,550
<b>Current assets</b>					
Stocks	6	13,024		93,703	
Debtors	7	99,096		102,035	
Cash at bank and in hand		240,469		314,982	
			352,589	510,720	
<b>Creditors: amounts falling due within one year</b>	8	(56,237)		(59,368)	
<b>Net current assets</b>			296,352		451,352
<b>Total assets less current liabilities</b>			345,793		500,902
<b>Creditors: amounts falling due after one year</b>			-		-
<b>Net assets</b>			345,793		500,902
<b>Capital and reserves</b>					
Called up share capital	10		1		1
Profit and loss			345,792		500,901
<b>Shareholders' funds</b>			345,793		500,902

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 July 2020



Mr Paul Turner  
Director

Company Number 03862874

The notes on pages 2 to 6 form part of these financial statements

# Great North Air Ambulance Service Trading Company Limited

## Notes to the financial statements for the year ended 31 March 2020

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### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The Great North Air Ambulance Trading Company Limited is a limited company incorporated in the United Kingdom.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Great North Air Ambulance Trading Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to the presentation of a cash flow statement.

#### 1.2 Going Concern

The company recorded a profit in 2020 of £168,815 and has net assets of £345,793. The company has been impacted by COVID-19 with all operations ceasing from the end of March until late May, when the country went into lockdown. Since late May, operations have been partially reinstated allowing the company to generate income, albeit at a reduced level. The company also continues to utilize the governments furlough scheme to support the salaries of those staff who are unable to work.

The company forecasts predict a drop in income of £350,000 for 2020/21, however due to reduced costs within 2020/21, a profit position and net positive cashflow is still expected.

The directors have a reasonable expectation that income be in line with forecasts and that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 15% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 25% straight line

#### 1.5 Stocks

Stock comprises donated goods held for resale and packaging stock. Donated goods are included at fair value, based upon estimated selling price per tonne.

#### 1.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 1.7 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

# Great North Air Ambulance Service Trading Company Limited

## Notes to the financial statements for the year ended 31 March 2020

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### 1. Accounting policies (continued)

#### 1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 1.9 Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. The resulting exchange differences are charged or credited to the profit and loss account in the period to which they relate.

#### 1.10 Employee benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

#### 1.11 Taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

### 2. Judgments in applying accounting policies and key sources of estimation uncertainty

#### 2.1 Critical accounting estimates and areas of judgement

The preparation of financial statements requires management to make judgments, assumptions and estimates that affect the application of accounting policies and amounts reported in the statement of financial activities and balance sheet. Such decisions are made at the time the financial statements are prepared and adopted based on the best information available at the time. Actual outcomes may be different from initial estimates and are reflected in the financial statements as soon as they become apparent.

#### 2.2 Significant judgments in applying accounting policies

In preparing these financial statements, no significant judgments were required in the process of applying the company's accounting policies.

#### 2.3 Key sources of estimation uncertainty

Estimates included within these financial statements include valuation of donated stock and the useful economic lives of fixed assets. None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# Great North Air Ambulance Service Trading Company Limited

## Notes to the financial statements for the year ended 31 March 2020

### 3. Employees

The average number of employees, including directors during the year was 29 (2019: 31).

4. Auditors remuneration	2020 £	2019 £
Audit of these financial statements	3,500	3,450
Amounts receivable by the auditors and their associates in respect of: Other non-audit services	<u>1,320</u>	<u>1,295</u>

### 5. Tangible fixed assets

Company	Office Equipment £	Plant and Machinery £	Motor Vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>					
At 1 April 2019	-	73,675	233,856	26,992	334,523
Additions	1,417	-	14,074	-	15,491
Disposals	-	-	(57,825)	-	(57,825)
At 31 March 2020	<u>1,417</u>	<u>73,675</u>	<u>190,105</u>	<u>26,992</u>	<u>292,189</u>
<b>Depreciation</b>					
At 1 April 2019	-	73,675	184,306	26,992	284,973
Charge for the year	177	-	15,423	-	15,600
On disposals	-	-	(57,825)	-	(57,825)
At 31 March 2020	<u>177</u>	<u>73,675</u>	<u>141,904</u>	<u>26,992</u>	<u>242,748</u>
<b>Net book value</b>					
At 31 March 2020	<u>1,240</u>	<u>-</u>	<u>48,201</u>	<u>-</u>	<u>49,441</u>
At 31 March 2019	<u>-</u>	<u>-</u>	<u>49,550</u>	<u>-</u>	<u>49,550</u>

# Great North Air Ambulance Service Trading Company Limited

## Notes to the financial statements for the year ended 31 March 2020

<b>6. Stocks</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Packaging	11,397	14,649
Donated goods held for resale	1,627	79,054
	<u>13,024</u>	<u>93,703</u>
<b>7. Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	20,811	54,095
Prepayments and accrued income	44,841	43,354
Amounts owed by group undertakings	33,387	4,586
Other debtors	57	-
Deferred tax asset (see note 9)	-	-
	<u>99,096</u>	<u>102,035</u>
<b>8. Creditors: Amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	33,148	38,807
Amounts owed to group undertakings	-	-
Corporation tax	-	-
Deferred tax provision (see note 9)	3,406	1,178
Other taxation and social security	9,276	9,209
Other creditors	10,407	10,174
	<u>56,237</u>	<u>59,368</u>
<b>9. Deferred taxation</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
At beginning of year	(1,178)	4,691
Adjustment in relation to previous period	-	-
Deferred tax charge in P&L for the period	(2,228)	(5,869)
At end of year	<u>(3,406)</u>	<u>(1,178)</u>
The deferred taxation asset is made up as follows:		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>(3,406)</u>	<u>(1,178)</u>

# Great North Air Ambulance Service Trading Company Limited

## Notes to the financial statements for the year ended 31 March 2020

10. Share Capital	2020 £	2019 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

### 11. Profit and loss account

The profit and loss account includes all current and prior period related profits and losses.

### 12. Operating lease commitments

At 31 March 2020 the company had annual commitments under non-cancellable operating leases as follows:

	2020 £	2019 £
Expiry date:		
Within 1 year	68,225	68,225
Between 2 and 5 years	96,652	164,877

### 13. Ultimate parent undertaking and controlling party

The company's entire share capital is held by The Great North Air Ambulance Service, a registered charity (charity number 1092204) and a company limited by guarantee (company number 04436859).

### 14. Auditor information

This is the filing copy of the company's full financial statements. As permitted by section 444 of the Companies Act 2006, the filing copy does not include a profit and loss account. The full financial statements (which include a profit and loss account) were subject to audit, and the audit report gave an unqualified opinion. The audit report was signed by Anne Hallowell (Senior Statutory Auditor), for and on behalf of UNW LLP, Statutory Auditor, Newcastle upon Tyne.