

# financial statements

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## **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

### **Consolidated Financial Statements**

For the year ended 31 December 2011

Company registration number: 4845905

Charity registration Number: 1098874

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# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

## **Financial Statements**

**Year ended 31 December 2011**

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# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

## **Trustees Annual Report**

**Year Ended 31 December 2011**

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The trustees are pleased to present their report and financial statements for the year ended 31st December 2011

### **Reference and Administrative Information**

Charity Name	The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)
Charity Registration Number	1098874
Company Registration Number	4845905
Registered Office	Hazell House Burnthurst Lane Princethorpe Warwickshire CV23 9QA
Company Secretary	Ms C Burchnall Hazell House Princethorpe Warwickshire CV23 9QA
Auditors	MHA MacIntyre Hudson Peterbridge House The Lakes Northampton NN4 7HB
Solicitors	SGH Martineau No 1 Colmore Square Birmingham B4 6AA
Bankers	Barclays Bank plc Meridian Business Park Leicester LE19 1RP

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Trustees Annual Report

Year ended 31 December 2011

### Board of Trustees

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out below

NAME	DATE OF APPOINTMENT	DATE OF RESIGNATION	BOARDS SERVED
Mr John Williams			Main Board (Chairman), Finance Committee (Chairman)
Mr Richard Clayton			Main Board
Mr Richard Dodd		23 May 2012	Main Board, Finance Committee
Mr Steve Jones			Main Board, Finance Committee
Dr Dhushyanthan Kumar			Main Board
Dr Caroline Leech			Main Board
Mr Roger Miller		23 May 2012	Main Board (Company Secretary), Finance Committee
Mr Chris Faircliffe	23 May 2012		Main Board
Mr John Rider	23 May 2012		Main Board
Mr Paul Wilson	23 May 2012		Main Board
Ms Patricia Johnstone	23 May 2012		Main Board

No Trustee has any interest in the charity The Trustees received no remuneration for their services

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Executive Team**

The Executive Team members who served during the year and up to the date of this report, but were not Trustees were

NAME	ROLE	TENURE
Mr A Williamson	Chief Executive	
Mrs A Pope	Director of People & Organisational Development	
Ms C Marshall	Director of Fundraising	Resigned 2 April 2012
Mr A Toft	Director of Operations and Clinical Service	Appointed 1 Sept 2011
Mrs K Steed	Director of Finance and IT	Appointed 3 January 2012

## **Structure, Governance and Management**

### ***Governing Document***

The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance) is a charitable company, limited by guarantee and having no share capital. In the event the charity is wound up members' liability is limited to £1.

The company was incorporated on 24th June 2003, and registered as a charity on 24th July 2003. Flights commenced on 1st October 2003.

### ***Recruitment and Appointment to Board of Trustees***

Trustees are currently nominated either directly by members or by existing Trustees to augment a mix of skills represented on the Board.

The Articles of Association provide that the number of Trustees shall not be less than three and (unless otherwise determined by ordinary resolution) shall not exceed a maximum of ten.

### ***Trustee Induction and Training***

Trustees are selected for the skills they bring to the organisation, and as such all have relevant experience in at least one discipline. On appointment Trustees are inducted to the organisation and briefed as appropriate. No additional education or training needs were identified during the year.

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## ***Risk Management***

In line with best practice and the requirements of the charity SORP 2005, the Trustees have reviewed all major potential risks for the Charity, and taken appropriate measures to mitigate their impact e.g. by taking out insurance

## ***Organisational Structure***

The Board of Trustees meets at least 4 times a year to oversee the development of the Charity and its subsidiary, and the work of the Executive Team

In addition the Trustees have established a Finance Committee which meets regularly during the year to consider matters of finance, audit, governance and control

The Trustees are responsible for control over all activities and authorise all major transactions of the charitable company, and its subsidiaries. Day to day activities are undertaken by the Chief Executive and the Executive Team on a delegated basis

## ***Objectives and Activities***

The objects of the charitable company, as set out in the Memorandum and Articles of Association, are

The relief of sickness and injury and the protection of human life principally, but not exclusively, by the provision of an air ambulance service, mainly but not exclusively within the areas of Warwickshire and Northamptonshire, and Derbyshire, Leicestershire and Rutland

The trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives set

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Chairman's Report**

This Annual Report covers the period from 1 January 2011 to 31 December 2011, during which time the The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance) charity has continued to provide two Helicopter Emergency Medical Services (HEMS) operations covering Warwickshire and Northamptonshire (WNAA) and Derbyshire, Leicestershire and Rutland (DLRAA). Both WNAA and DLRAA operate within the same charity framework and management structure, thus minimising overheads and ensuring common operating procedures and practices.

**The objective of the organisation is to save lives and improve patient outcomes.** To do this our operations rely totally on the goodwill and generosity of the public and this has again been outstanding across our operating areas. Our volunteer fundraising teams are supported by a small team of professionals and I would be remiss if I did not thank everyone for their unstinting efforts, without which we could not function. The concept of the "Big Society" and the involvement of local people in the provision of essential services is a continuing theme in today's world and organisations like ourselves have been operating successfully with volunteers and engaging with the public in this way for many years and certainly throughout the lifetime of this charity.

We utilise specialist pilots, doctors and paramedics and whilst their role may often appear glamorous, it actually requires enormous concentration and sound aircrew knowledge as well as clinical skills. They often fly under very difficult circumstances, relying on the excellent 'all weather' instrumentation that our Agusta Westland helicopters are equipped with and are frequently confronted with some of the most challenging and distressing clinical situations in 'taking the hospital to the field'. We are constantly updating and developing our clinical skills with the sole purpose of benefiting the patients we attend and we are the first air ambulance to achieve Care Quality Commission (CQC) registration. The continuing enhancement of our clinicians' skills in the pre-hospital environments within which we operate results in positive experiences and outcomes for patients. The public have been very generous because they know we are a worthy cause – our aim is to remain worthy of them and continue to deliver the best possible service.

The Trustees are delighted with the considerable progress made during the past twelve months of operation and the increased level of total income received which has resulted in continued growth and development and enhanced our financial stability. This is attributable to the generosity of the public and the commitment, skill and enthusiasm of the staff and volunteers in all areas of operation.

Thank you to everyone who has supported us – you have helped us save lives that otherwise would have been lost and improved countless patient outcomes.

**John Williams FCCA**  
**Chairman**

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Chief Executive Report**

As had been the case with the previous three years, our priority in 2011 was to deal effectively with the difficulties caused by the ongoing economic downturn whilst at the same time achieving our organisational goals of growth in services provided. This required a solid financial plan which would give stability to the core whilst investing in new initiatives and infrastructure to improve output and generate additional income for the long term future. I am happy to report that we have succeeded once more on all fronts.

Despite the recession which has had a very strong effect on charitable giving across the UK, we managed to increase income and deliver all the services needed. Strong performance from our community fundraising was aided by the new retail income and a healthy year for legacy income which is always the result of good engagement of people from all walks of life. We continued to increase the number of regular committed givers through good marketing and communication campaigns and we were able to maintain a strong media presence to ensure that our message of being a voluntary organisation with no Government funding was heard.

## ***How Did We Do?***

In 2011 we set out to achieve £5.1 million income and I am happy to report that we achieved income of £5.5 million. We also set out on the path of building a chain of retail outlets which at the end of 2011 stood at 11 shops, all performing above the national averages for such charity shops, the national average income being approximately £1,600 per week with our shops nearing an average of £1,900 per week.

We continued to provide two first class Helicopter Emergency Medical Services with the WNAA aircraft based at Coventry Airport and the DLRAA Aircraft based at East Midlands Airport. Further investment has gone into new equipment on board each helicopter, more advanced training of Doctors and Paramedics and the creation of new high quality facilities at the Coventry Base as a result of a terrific donation from The Soroptomists of Rugby to whom we are exceedingly grateful.

## ***A new Era***

The most significant changes and developments in 2011 surrounded our plans to provide new resources to healthcare in the UK and to improve our standing and influence on all matters involving emergency care. In October we instigated talks with The Children's Air Ambulance, a charity with a challenging history and one that was unable to deliver its key objective of providing a transport service, free of charge, for critically ill children and babies throughout the country. We ascertained a real need for this service with just under 6,000 transfers having needed to take place in the space of twelve months. A formal transfer of undertakings took place on 1 January 2012.

We were confident that under our management this charity could be reformed and would be able to deliver its service by the end of 2012. The decision to take it over was not taken lightly given its past history, but we were supported by The Charity Commission and both sets of Trustees and I am happy to report a successful transition was made and plans are well advanced to provide a brand new high quality service to the paediatric and neonatal clinical communities.



# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Chief Executive Report** *(continued)*

With this takeover it was also time to look at our own name, objectives and constitution with a need to reflect the greater amount of work we were doing and the growing status of our organisation. Therefore we have now created The Air Ambulance Service as the overall brand that can provide our current and no doubt, expanding services in the future. A very positive move that was welcomed by Simon Burns MP The Minister for Health when he praised our work at a Parliamentary dinner recently.

Therefore 2011 was a year of continued investment into our core belief of providing the best available clinical service by an organisation of true excellence.

## **Award Winning Organisation**

Many awards are given out these days, especially within sectors and industries which almost become self congratulatory. As an organisation we have in the past won meaningful awards such as those given by The Charity Times and The Institute of Fundraising. In 2011 however our achievements gained the recognition they deserved on a national scale and perhaps more significantly, by leading business organisations outside of our field of operation. Being awarded the title of "Director of The Year" by The Institute of Directors was a great personal honour but even that was eclipsed by the team winning the very prestigious Orange National Business Awards for Transformational Change which recognised the true impact our organisation makes on society as a whole. These awards are truly significant and meaningful given by the finest business leaders in the UK today. I believe we are the only charity to have ever achieved this double.

## **Continuous Improvement**

Such recognition is not just because of the leadership and the high profile star fundraisers, it was also a significant reflection of the success in investing into the core infrastructure, investment that enables our future plans to materialise on a much larger scale. A new IT database system was introduced. A supporter services department was created to specifically look after our growing number of volunteers and donors. The Finance department increased its resource both externally and internally, and this is now proving to be beneficial to our income generating staff with better processes and more time freed up for their fundraising activities. Likewise an investment into HR or People and Organisational Development as we prefer to call it, was needed to support the growing number of staff, particularly in retail, and the larger numbers of volunteers who are now giving their time so freely and energetically.

Despite many bigger charities closing down events and community fundraising teams because of the recession, we continued to buck that trend. Our events in the community and at a bigger corporate level were all successful and this has meant we have been able to continue a strategy of gaining additional market share.

Our Community Fundraisers reach into every part of society and not just to raise funds. They input back into many areas by sharing their skills on a voluntary basis with other smaller organisations. Our staff take part in many community groups, and lead in areas of expertise. We have collaborated with schools to provide better educational programmes around health, aviation and general work experience.

We offset our own carbon footprint by maintaining an acre of woodland around our HQ in Warwickshire, an important aspect of our culture and ethos of caring about our society and environment.

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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**Chief Executive Report** *(continued)*

## ***A People Organisation***

At the very core of our entire operation is the inherent belief that everything must be delivered through our people, be they staff, volunteers, Trustees, ambassadors or ad hoc supporters. People matter to us and they matter to everything around us. Amazing things will only be achieved through amazing people. I could not possibly mention everyone by name but to every Trustee I say thank you for your guidance and to The Chairman I say thank you for always being there when needed. To every volunteer I say thank you for your time, skill and dedication to our cause. To every supporter thank you for everything you have done. But most of all, to the truly outstanding team of people I am proud to call my colleagues at every level of the organisation I say thank you and congratulations for the remarkable success that was 2011.

Andy Williamson MInstD  
Chief Executive

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Clinical and Operational Report**

We continue to be one of the busiest Air Ambulance Services in the country attending over 1,828 calls in 2011

We are continually striving to develop our strategies to establish and deliver the best intensive clinical care at the scene of an accident. To this extent we have now recruited our own paramedics to enable us to continue in the investment in their training and expertise, to deliver optimal care to the people we serve. The majority of our paramedics hold the distinguished qualification of Critical Care Paramedics and the intention is they all hold such a qualification. We have also continued in our recruitment drive to bring into our service the best pre-hospital Doctors available in our region and established a Clinical Supervisor programme consisting of Senior Medical Consultants to both help deliver our service and train our clinical staff to ensure we remain at the forefront of clinical care provision.

Our governance programme was audited by our two external partners, the East Midlands Ambulance and West Midlands Ambulance services, both of whom found the process professional and robust. We continue to be a registered Care Quality Commission (CQC) Charity, unlike the majority of our partner Air Ambulance providers. We continue to review all our procedures in light of current research based evidence, including the equipment and drugs carried and used on board the aircraft.

The recent appointment of a new Director of Operations and Clinical Service with a strong background in international clinical development and a blue chip commercial background further helps strengthen our team and provides a unique level of expertise, not shared by any other Air Ambulance service. Together with the appointment of a Head of Aviation, we continue to pursue a path of greater independence and expertise within our organisation. The Head of Aviation will help not only in developing our own Aviation Operating Certificate in line with our planned acquisition of the latest helicopters being released in 2015, but with this new team we are better placed to acquire such assets. This combined with the excellent support and operational management of the clinical team delivered by our own newly appointed Airbase Managers, one of each is based at East Midlands Airport (DLRAA) and Coventry Airport (WNAA), makes the team stronger and united.

We remain an active voice in the re-development of trauma services in both East and West Midlands. The changes are likely to involve the movement of critically injured patients over significant distances to ensure they get the best treatment in a timely manner and we are helping shape how that can be done safely and professionally.

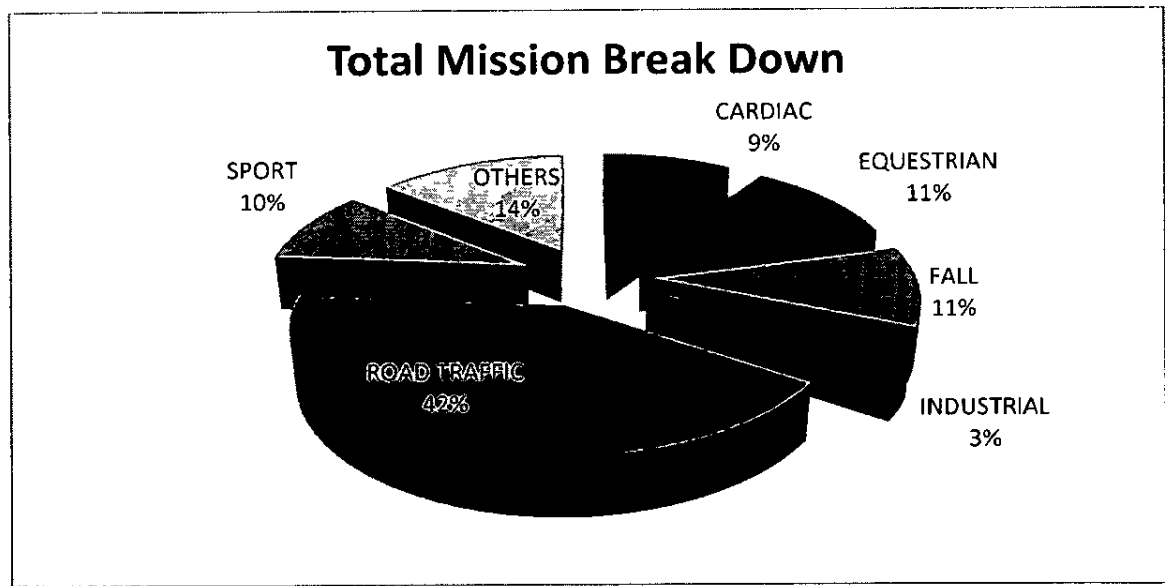
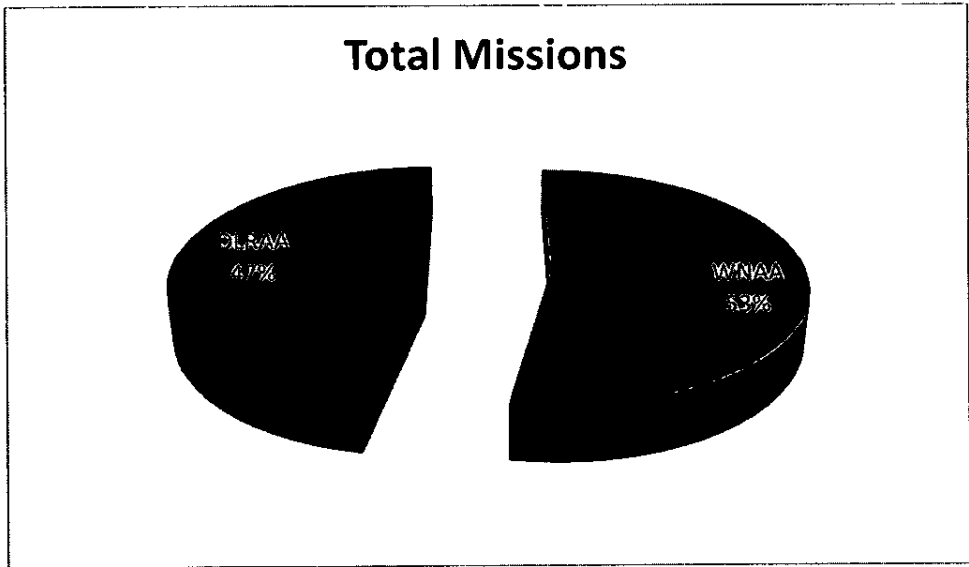
During 2012 we look to developing new bases for our services and pioneering the Children's Air Ambulance for England and Wales.

**The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

Trustees Annual Report *(continued)*

Year ended 31 December 2011

**Total Missions by Job Type in 2011 For The Air Ambulance Service**

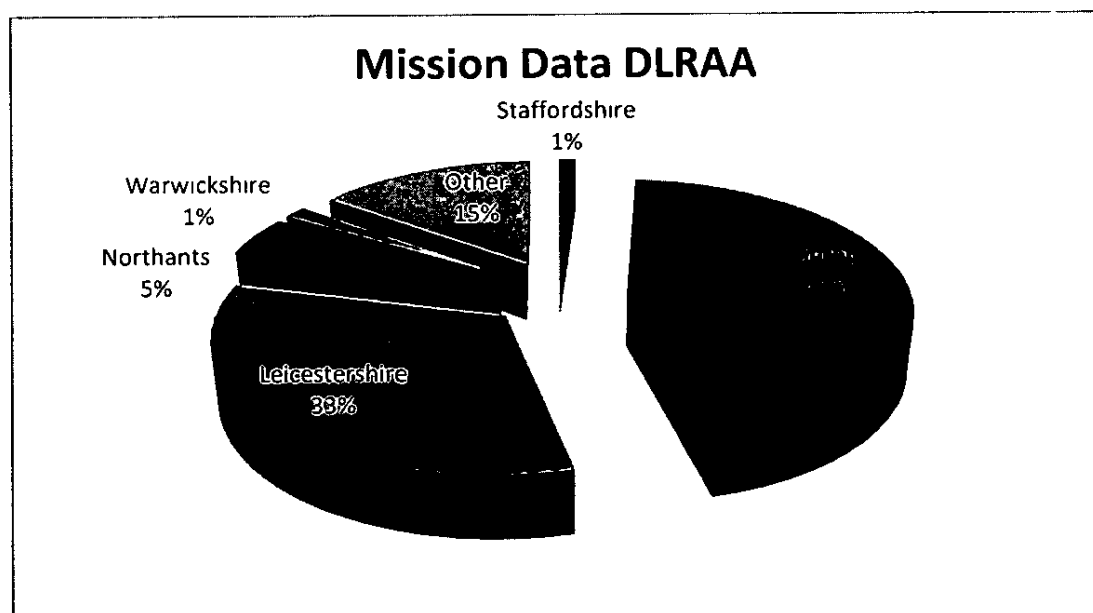
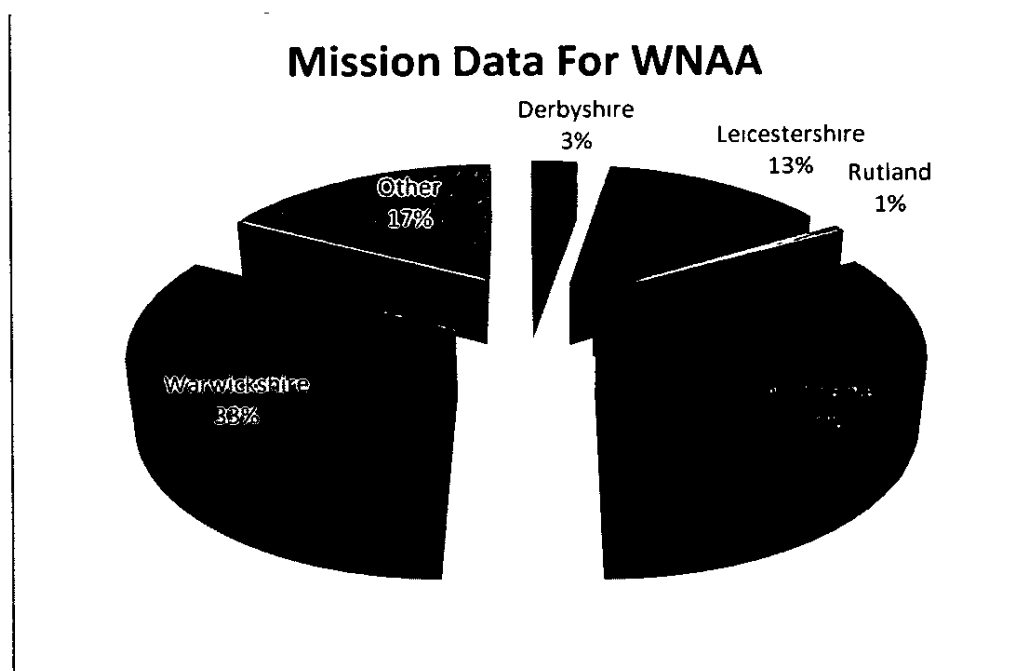


## The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

Trustees Annual Report *(continued)*

Year ended 31 December 2011

### Helicopter Tasking - Percentage missions activated by county



# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Financial Review**

### ***Financial Position***

The charity is funded entirely by voluntary donations and fundraising. We receive no Government or National lottery Funding. It is a measure of our success, and the high regard for our service that in a difficult economic climate our group income has continued to grow with over £5,519,000 raised in 2011, which generated a surplus of £198,000.

The success of our fundraising has enabled us to continue investing in our operations and in developing income streams for the future.

In October 2011 we instigated talks with the Childrens Air Ambulance, a formal transfer of undertakings occurred on 1<sup>st</sup> January 2012.

We also created a new identity in The Air Ambulance Service to reflect our new national charity status, and in April 2012 effected a formal change of the charity's name.

### ***Reserves policy***

We have continued to steadily increase our reserves, so that we will be able to maintain our operational capabilities in periods of downturn, and invest in new equipment as it becomes available.

At 31st December 2011 unrestricted reserves totalled £2.1m.

### ***Going concern***

The Trustees consider that the Trust is financially well managed, and have prepared the accounts on a going concern basis as they consider that the assets and reserves of the charity are adequate to fulfil their obligations.

There are no contingent liabilities or guarantees.

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Responsibilities of the Board of Trustees**

The trustees (who are also directors of The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance) for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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,
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees confirm that they have met the responsibilities set out above and complied with the requirements of the charity's governing document and the requirements of Statement of Recommended Practice for Charities 2005 for preparing the accounts. The financial statements set out on pages 16 to 31 attached have been compiled from and are in accordance with the financial records maintained by the trustees

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Trustees Annual Report** *(continued)*

**Year ended 31 December 2011**

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## **Auditors**

On 21 November 2011, our auditors adopted the trading name MHA MacIntyre Hudson. MHA MacIntyre Hudson have expressed their willingness to continue in office and are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Approved by the Board of Trustees and signed on behalf of the Board



**John Williams FCCA**  
**Chairman**

**23rd May 2012**



# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

## **Independent Auditor's Report to the Members and Trustees of The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Year ended 31 December 2011**

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We have audited the financial statements of The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance) for the year ended 31 December 2011 which comprise the group statement of financial activities, the group balance sheet, the charity balance sheet and related notes. The financial reporting framework that has been applied to their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity company's members and its 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 charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statement,

- Give a true and fair view of the state of the charitable company's and group's affairs as at 31 December 2011 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- Have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- Have been prepared in accordance with the requirements of the Companies Act 2006

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Independent Auditor's Report to the Members and Trustees of The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

**Year ended 31 December 2011**

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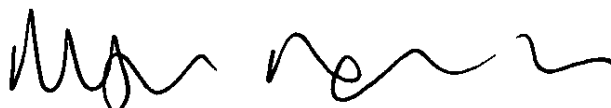
## **Opinion on other matter prescribed by the Companies Act 2006**

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion

- The parent charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company 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 received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report



Elaine Olson-Williams FCCA  
(Senior Statutory Auditor)  
For and on behalf of  
MHA MACINTYRE HUDSON  
Statutory Auditor

Peterbridge House  
The Lakes  
Northampton  
NN4 7HB



# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Group Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year ended 31 December 2011

	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2011 £000	Total Funds 2010 £000
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	1	4,514	30	4,544	4,158
Activities for generating funds		972	—	972	305
Investment income	3	3	—	3	1
<b>Total incoming resources</b>		<b>5,489</b>	<b>30</b>	<b>5,519</b>	<b>4,464</b>
<b>Resources expended</b>					
Costs of generating funds					
Costs of generating voluntary income	4	(1,574)	—	(1,574)	(1,098)
Fundraising trading cost of goods sold and other costs	4	(542)	—	(542)	(10)
Charitable activities – operation of helicopters	4	(2,988)	(9)	(2,997)	(2,871)
Governance costs	4	(208)	—	(208)	(57)
<b>Total resources expended</b>		<b>(5,312)</b>	<b>(9)</b>	<b>(5,321)</b>	<b>(4,036)</b>
<b>Net incoming resources for the year/net income for the year</b>		<b>177</b>	<b>21</b>	<b>198</b>	<b>428</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,954	—	1,954	1,526
<b>Total funds carried forward</b>		<b>£2,131</b>	<b>£21</b>	<b>£2,152</b>	<b>£1,954</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The accounting policies and notes on pages 20 to 31 form part of these financial statements

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)


## Group Balance Sheet

Year Ended 31 December 2011

		Note	2011 £000	2010 £000
<b>Fixed assets</b>				
Tangible assets	10		1,016	663
<b>Current assets</b>				
Stocks		43		11
Debtors	12	646		493
Investments	13	652		1,002
Cash at bank		315		123
		1,656		1,629
<b>Creditors amounts falling due within one year</b>	14	(520)		(338)
<b>Net current assets</b>			1,136	1,291
<b>Total assets less current liabilities</b>			2,152	1,954
<b>Net assets</b>			£2,152	£1,954
<b>Funds</b>				
Restricted income funds	18		21	—
Unrestricted income funds	19		2,131	1,954
<b>Total funds</b>			£2,152	£1,954

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the members of the committee on 23 May 2012



John Williams FCCA  
Chairman

The accounting policies and notes on pages 20 to 31 form part of these financial statements

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Charity Balance Sheet

Year Ended 31 December 2011

		Note	2011 £000	2010 £000
<b>Fixed assets</b>				
Tangible assets	10		823	644
Investments	11		1	1
			<u>824</u>	<u>645</u>
<b>Current assets</b>				
Stocks		-		11
Debtors	12	902		533
Investments	13	652		1,002
Cash at bank		257		98
		<u>1,811</u>		<u>1,644</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(414)</u>		<u>(340)</u>
<b>Net current assets</b>			<u>1,397</u>	<u>1,304</u>
<b>Total assets less current liabilities</b>			<u>2,221</u>	<u>1,949</u>
<b>Net assets</b>			<u>£2,221</u>	<u>£1,949</u>
<b>Funds</b>				
Restricted income funds	18	21		-
Unrestricted income funds	19	2,200		1,949
<b>Total funds</b>			<u>£2,221</u>	<u>£1,949</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the members of the committee on 23 May 2012



John Williams FCCA  
Chairman

The accounting policies and notes on pages 20 to 31 form part of these financial statements

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

## **Accounting Policies**

**Year ended 31 December 2011**

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### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

### **Basis of consolidation**

The consolidated accounts incorporate the accounts of the company and all group undertakings. Consolidation has been undertaken on a line by line basis. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the merger method. The results of companies acquired or disposed of are included in the statement of financial activities after or up to the date that control passes respectively. As a group statement of financial activities is published, a separate statement of financial activities for the parent charity is omitted from the group accounts by virtue of paragraph 397 of the SORP and section 408 of the Companies Act 2006.

### **Incoming resources**

a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable,
- ii) certainty - when there is reasonable certainty that the incoming resource will be received,
- iii) measurement - when the monetary value of the incoming resources can be measured with sufficient reliability.

b) **Gifts in kind**

i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.

ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.

iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the funds are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the funds or the amount actually realised. The basis of the valuation is disclosed in the annual report.

c) **Donated services and facilities**

Donated services and facilities (e.g. the provision of free accommodation) are included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources. No amounts are included in the financial statements for services donated by volunteers.

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

## **Accounting Policies (continued)**

**Year ended 31 December 2011**

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d) **Legacies**

Legacies are recognised at the earlier of the date that probate was granted or the legacy was received. Other legacies notified are not accrued due to uncertainty of value or timing. Legacies notified at 31 December 2011 but not accrued amount to £46,653.

e) **Trading outlets**

Retail sales are included in the period in which the sale is initiated.

### **Structure of funds**

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustees have chosen to earmark for set purposes are designated funds. The Trustees originally classified the value of the headquarters building as unrestricted designated funds. During the year, these funds were transferred into unrestricted undesignated funds.

### **Resources expended**

All expenditure is accounted for on an accruals basis. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. Expenditure is matched against the restricted or unrestricted funds to which it relates. Support costs directly attributable to an activity are allocated to that activity. Other costs that cannot be directly attributed are allocated against the categories based on the management's estimate of usage of those services.

a) **Cost of generating funds.**

The cost of generating funds are the costs associated with generating income through fundraising and other activities.

b) **Charitable activities**

These are accounted for on an accruals basis. The trustees consider there is one charitable activity, that of the provision of an air ambulance service.

c) **Governance costs**

These are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs include external audit and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts.

# **The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)**

## **Accounting Policies (continued)**

**Year ended 31 December 2011**

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### **Fixed assets**

#### **a) Capitalisation**

All assets falling into the following categories are capitalised

i) tangible assets which are capable of being used for more than one year and have a cost equal or greater than £5,000

ii) groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more

iii) computer software licences are capitalised as intangible assets where they are capable of being used for more than one year and have a cost, individually or as a group, equal or greater than £5,000

#### **b) Valuation**

Tangible fixed assets are valued at original cost less depreciation

#### **c) Depreciation**

Depreciation is charged on a straight line basis on each main class of tangible asset, over its expected useful life, as follows

Building	15 years
Plant	10 years
Medical equipment	5 years
Furniture	5 years

Land is not depreciated

The holding values of assets are regularly reviewed for impairment and where deemed appropriate are written down

### **Fixed asset investments**

Investments in unlisted shares, where there is no readily identifiable market value, are recorded at cost

### **Current asset investments**

Investments are valued at market value

### **Stocks**

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

### **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

### **Pension costs**

The charity operates a defined contribution pension 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



# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 1 Voluntary income

	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2011 £000	Total Funds 2010 £000
Donations	3,718	30	3,748	3,407
Legacies	577	–	577	522
Other grants receivable	219	–	219	229
	<u>£4,514</u>	<u>£30</u>	<u>£4,544</u>	<u>£4,158</u>

### 2 Material grants received by category

Description of the sources of any material grants by category	Amount received in aggregate Year to 31 Dec 2011 £000	Amount received in aggregate Year to 31 Dec 2010 £000
General Charities of the City of Coventry	50	40
The Margaret Giffen Charitable Trust	50	50
Bernard Sunley Foundation	10	10
The Edith Murphy Foundation	–	10
The Haremead Trust	–	20
W P H Charitable Trust	–	10
Audrey Clark Will Trust	–	20
Toyota UK Charitable Trust	7	12
The Gilbert Hinckley Charitable Trust	8	–
29 <sup>th</sup> May 1961 Charity Trust	21	–
Stratford Upon Avon Town Trust	4	4
Ratcliff Foundation	5	5
The Eveson Charity Trust	–	5
Constance Travis Charitable Trust	5	5
Other	59	38
Total	<u>£219</u>	<u>£229</u>

### 3 Investment income

	Unrestricted Funds Year to 31 Dec 2011 £000	Total Funds Year to 31 Dec 2011 £000	Total Funds Year to 31 Dec 2010 £000
Bank interest receivable	<u>3</u>	<u>3</u>	<u>1</u>

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 4. Total resources expended

	Basis of Allocation £000	Costs of Generating Voluntary Income £000	Fundraising Trading Costs £000	Charitable Activities £000	Governance £000	2011 Total £000	2010 Total £000
<b>Costs directly allocated to activities</b>							
Operators fees	Direct	-	-	2,395	-	<b>2,395</b>	2,362
Equipment	Direct	-	5	75	-	<b>80</b>	115
Training	Direct	-	1	266	-	<b>267</b>	54
Fundraising activities	Direct	726	-	-	-	<b>726</b>	464
Staff costs*	Dir/Alloc	533	213	167	100	<b>1,013</b>	692
Insurance	Direct	-	5	-	7	<b>12</b>	2
Merchandise	Direct	-	75	-	-	<b>75</b>	2
Shop overheads	Direct	-	-	-	-	<b>-</b>	3
Audit fees	Direct	-	3	-	15	<b>18</b>	15
Accountancy fees	Direct	-	31	-	62	<b>93</b>	12
Legal fees	Direct	-	6	-	24	<b>30</b>	3
Other prof fees	Direct	-	-	-	-	<b>-</b>	1
<b>Support costs allocated to activities</b>							
General office	Usage	227	186	40	-	<b>453</b>	233
Communications	Usage	14	3	16	-	<b>33</b>	24
Vehicles	Usage	74	14	38	-	<b>126</b>	54
<b>Total resources expended</b>		<b>£1,574</b>	<b>£542</b>	<b>£2,997</b>	<b>£208</b>	<b>£5,321</b>	<b>£4,036</b>

\*Operational and fundraising staff are allocated directly, management and administration are allocated on a time apportioned basis. See note 18 for details of resources expended from restricted reserves

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 5. Staff costs and emoluments

Total staff costs were as follows:

	Year to 31 Dec 11 £000	Year to 31 Dec 10 £000
Wages and salaries	917	632
Employers NI	86	58
Pension	10	2
	<u>£1,013</u>	<u>£692</u>

### Particulars of employees:

The average number of employees during the year was as follows

	Year to 31 Dec 11 No	Year to 31 Dec 10 No
Charitable activities	5	3
Fundraising	16	13
Governance	3	2
	<u>24</u>	<u>18</u>

### Pension contributions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Annual contributions amounting to £10,000 (2010 £2,000) were charged to the statement of financial activities during the year. At the balance sheet date, there were no outstanding contributions (2010 £nil).

### 6. Trustees and connected persons' transactions

The Trustees of the charity are also directors of the charity. There are also four directors, who are not Trustees, who received remuneration, during the year.

### Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	Year to 31 Dec 11 £000	Year to 31 Dec 10 £000
Remuneration receivable	<u>252</u>	<u>242</u>

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 6 Trustee and connected persons transactions (continued)

The number of employees whose remuneration for the year fell within the following bands, were

	Year to 31 Dec 11 No	Year to 31 Dec 10 No
£110,000 to £119,999	<u>1</u>	<u>1</u>

No other employees earned more than £60,000 in the year All employees participated in the pension scheme

#### Trustees' expenses reimbursed

There were no expenses reimbursed to Trustees in the year (2010 nil)

The total number of trustees in the year was 7 (2010 7)

#### Trustees' remuneration

No remuneration was paid to or waived by Trustees during the year (2010 nil)

#### Details of transactions with trustees or connected persons

During the current year and prior period none of the Trustees have undertaken any material transactions with the The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

### 7 Financial activities

#### Financial activities of the charity

The financial activities shown in the consolidated Statement of Financial Activities include those of the charity's wholly owned subsidiary, The Air Ambulance Service Trading Limited (previously Helimed Trading Company Limited) A summary of the financial activities undertaken by the charity is set out below

	2011 £000	2010 £000
<b>Gross incoming resources</b>	<b>5,052</b>	<b>4,451</b>
Cost of generating funds	(1,865)	(1,098)
Charitable activities	(2,832)	(2,874)
Governance costs	(83)	(56)
<b>Net incoming resources</b>	<b>272</b>	<b>423</b>
<b>Total funds brought forward</b>	<b>1,949</b>	<b>1,526</b>
<b>Total funds carried forward</b>	<b>£2,221</b>	<b>£1,949</b>
<b>Represented by:</b>		
Restricted Funds	22	-
Unrestricted income funds	2,199	1,949
<b>Total funds</b>	<b>£2,221</b>	<b>£1,949</b>

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 7 Financial Activities (continued)

#### Commercial trading operations

The Air Ambulance Service Trading Limited (previously Helimed Trading Company Limited), the wholly owned trading subsidiary of the charity is a retail charity outlet. The company commenced trading in November 2010. A summary of its trading results for the period to 31 December 2011 are shown below.

	2011 £000	2010 £000
Turnover	467	13
Cost of sales	(75)	(2)
Administrative expenses	(467)	(8)
Net profit	<u>£(75)</u>	<u>£3</u>
The assets and liabilities at 31 December were:		
Fixed assets	192	19
Current assets	163	29
Current liabilities	(427)	(45)
Total net assets/(liabilities)	<u>£(72)</u>	<u>£3</u>
Aggregate share capital and reserves	<u>£(72)</u>	<u>£3</u>

The Air Ambulance Service Trading Limited made a loss during the period and hence there was no contribution to the charity. In appropriate circumstances, this company may transfer surpluses to the charity.

### 8. Net incoming resources for the year

	2011 £000	2010 £000
This is stated after charging		
Auditors remuneration -		
External audit	18	15
Accountancy and advisory services	93	12
Depreciation	<u>109</u>	<u>52</u>

### 9. Taxation

The charity, as a charitable company, is exempt from corporation tax on its charitable activities.

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 10. Tangible fixed assets

#### Group tangible fixed assets

	Freehold property £000	Equipment £000	Fixtures & Fittings £000	Leasehold Property £000	Motor Vehicles £000	Total £000
<b>Cost</b>						
At 1 January 2011	492	187	49	10	-	738
Additions	-	134	143	195	9	462
<b>At 31 December 2011</b>	<b>£492</b>	<b>£321</b>	<b>£192</b>	<b>£185</b>	<b>£9</b>	<b>£1,200</b>
<b>Depreciation</b>						
At 1 January 2011	14	53	8	-	-	75
Charge for the year	17	54	27	9	2	109
<b>At 31 December 2011</b>	<b>£31</b>	<b>£107</b>	<b>£35</b>	<b>£9</b>	<b>£2</b>	<b>£184</b>
<b>Net book value</b>						
<b>At 31 December 2011</b>	<b>£461</b>	<b>£214</b>	<b>£157</b>	<b>£176</b>	<b>£7</b>	<b>£1,016</b>
At 31 December 2010	£478	£12	£163	£10	-	£663

#### Charity tangible fixed assets

	Freehold property £000	Equipment £000	Fixtures & Fittings £000	Leasehold Property £000	Total £000
<b>Cost</b>					
At 1 January 2011	492	187	40	-	719
Additions	-	103	30	131	264
<b>At 31 December 2011</b>	<b>£492</b>	<b>£290</b>	<b>£70</b>	<b>£131</b>	<b>£983</b>
<b>Depreciation</b>					
At 1 January 2011	14	53	8	-	75
Charge for the year	17	51	13	4	85
<b>At 31 December 2011</b>	<b>£31</b>	<b>£104</b>	<b>£21</b>	<b>£4</b>	<b>£160</b>
<b>Net book value</b>					
<b>At 31 December 2011</b>	<b>£461</b>	<b>£186</b>	<b>£49</b>	<b>£127</b>	<b>£823</b>
At 31 December 2010	£478	£134	£32	-	£644

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 11. Investments

#### Movement in market value Charity

	2011 £000	2010 £000
Acquisitions at cost	1	1
Market value/Historical cost at 31 December 2011	<u>£1</u>	<u>£1</u>

Name	Holding	Principal activity	Proportions held by the charity
The Air Ambulance Service Trading Limited	Ordinary shares	Retail charity outlet	100%

The company was incorporated in England & Wales. The results for the period from 1 September 2010 to 31 December 2011 was a loss of £72,212 and the company had net liabilities of £72,212

### 12. Debtors

	Group		Charity	
	2011 £000	2010 £000	2011 £000	2010 £000
Amounts due from group undertaking	—	—	321	43
Other debtors	48	8	34	5
Prepayments	294	184	243	184
Accrued income	304	301	304	301
	<u>£646</u>	<u>£493</u>	<u>£902</u>	<u>£533</u>

### 13. Current asset investments

	Group		Charity	
	2011 £000	2010 £000	2011 £000	2010 £000
Investments	<u>652</u>	<u>1,002</u>	<u>652</u>	<u>1,002</u>

Current asset investments comprise short term deposits

# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 14 Creditors: amounts falling due within one year

	Group		Charity	
	2011 £000	2010 £000	2011 £000	2010 £000
Trade creditors	389	217	324	218
Taxation and social security	34	46	27	46
Other creditors	-	1	-	1
Accruals	97	74	63	75
	<u>£520</u>	<u>£338</u>	<u>£414</u>	<u>£340</u>

### 15 Loans or guarantees secured against assets of the charity

There were no loans or guarantees against the assets of the charity

### 16 Commitments under operating leases

At 31 December 2011 the charity had annual commitments under non-cancellable operating leases as set out below

	Land & Buildings	Assets other than land and buildings		
	2011 £000	2011 £000	2010 £000	2010 £000
<b>Group</b>				
<b>Operating leases which expire</b>				
Within 2 to 5 years	<u>245</u>	<u>1,947</u>	<u>-</u>	<u>1,881</u>
	2011 £000	2011 £000	2010 £000	2010 £000
<b>Charity</b>				
<b>Operating leases which expire:</b>				
Within 2 to 5 years	<u>80</u>	<u>1,947</u>	<u>-</u>	<u>1,881</u>

### 17 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2010 £24,000)



# The Air Ambulance Service (formerly Warwickshire and Northamptonshire Air Ambulance)

## Notes to the Financial Statements

Year ended 31 December 2011

### 18. Restricted Income Funds

#### Group and Charity

	Incoming resources £000	Outgoing resources £000	Balance at 31 Dec 2011 £000
BMW Restricted Fund	4	(4)	-
The Gilbert Hickley Charitable Trust Restricted Fund	5	(1)	4
Kettering & District CM Trust Restricted Fund	21	(4)	17
	<u>£30</u>	<u>£(9)</u>	<u>£21</u>

All of the above funds were provided to the charity for the sole purpose of acquiring some new medical equipment

### 19. Unrestricted Income Funds

#### Group

	Balance at 1 Jan 2011 £000	Incoming resources £000	Balance at 31 Dec 2011 £000
General Funds	<u>1,954</u>	<u>176</u>	<u>2,131</u>

#### Charity

	Balance at 1 Jan 2011 £000	Incoming resources £000	Balance at 31 Dec 2011 £000
General Funds	<u>1,949</u>	<u>251</u>	<u>2,200</u>