



MIDLANDS AIR AMBULANCE CHARITY
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2019

Charity Number 1143118

Company Number 07683841



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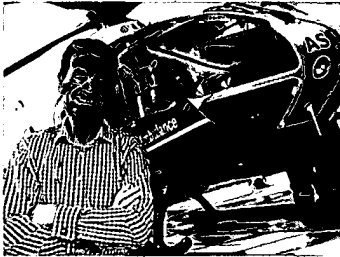


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REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2019

CHAIRMAN'S REPORT



I am delighted to present my first Chairman's report after stepping up to the role following Brendan Connor's departure from the Board of Trustees within the financial year. On behalf of the Board I would like to thank Brendan for his leadership and dedication to Midlands Air Ambulance Charity (MAAC) over the last seven years.

Continuous improvement is a key driving force and value for our charity. I am proud to report that MAAC has had another successful year delivering helicopter-led pre hospital medical services to patients in their time of need across the region. This would not have been achieved without the support of our donors, volunteers, corporate partners, staff and trustees - a heartfelt thank you to you all.

Over the last twelve months we have worked hard to maintain and further enhance our emergency response service which comprises a fleet of three helicopters and three rapid response vehicles, combined with a highly skilled clinical team who provide specialist lifesaving pre-hospital care. To complement this provision, in June 2018, we introduced a new critical care car service specialising in life saving land based missions, focusing on patients suffering from cardiac arrests, strokes and sepsis within Birmingham and the Black Country. During the first seven months of operations until 31 March 2019, the critical care car was mobilised to respond to 1,656 patients. Given the success of the new service, MAAC is planning to introduce a second car in the upcoming financial year, which will operate in and around Worcester City Centre, an area that has been identified as having the second highest incidence for cardiac arrest, across the six counties we serve.

To facilitate our regional operations, and to enable local communities to see more of what we do, we have invested in our Strensham airbase and aircraft hangar. This enhanced building gives our aircrew the facilities they need, including a training area, as well as providing space for scheduled airbase visits by the public. The building work has spanned the year end, finishing in May 2019.



**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2019**

CHAIRMAN'S REPORT CONTINUED

MAAC never forgets its core purpose of delivering emergency pre-hospital medical services and aims to provide this in the most efficient means possible. During the financial year I am pleased to confirm that only 5% of our income was spent on administration. Looking towards the future, we are considering how we respond to an ever changing environment. Incidents are becoming increasingly diverse, which means patients require more varied and complex treatment. As such, we are working towards further enhancing our medical provision and strengthening our resource base, in order to cater for changing service provision alongside increasing demand forecast to rise by 20% over the next five years.

Roger Pemberton
Chairman of the Board of Trustees

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CHIEF EXECUTIVE'S REPORT



I have been Chief Executive Officer at MAAC for 10 years and would like to use this opportunity to reflect on how the organisation and its operations have changed over the last decade.

Since 2011 MAAC has been an independent charity following our de-merger from the NHS. Our key NHS partner is West Midlands Ambulance Service University NHS Foundation Trust (WMAS) who we work closely with in the provision of our paramedics and doctors, our clinical governance and the specialist training our critical care paramedics require in order to provide the best possible pre hospital emergency medicine and care to our patients.

We have strengthened ourselves, by developing our operating model and resource base to provide a sustainable pre-hospital emergency service. Thanks to the ongoing support we receive across our six county area, from individuals, community groups and businesses alike, MAAC is financially resilient. Over the last five years in particular, this has enabled the charity to procure two of its three helicopters (with the third being under a lease arrangement); invest in its people - developing the skills of both our staff and volunteer network and enhance and expand our clinical operations – strengthening our service provision across the six counties that we serve.

Over the years, we have worked hard to develop relationships across Gloucestershire, Herefordshire, Shropshire, Staffordshire, Worcestershire and the West Midlands. We have been supported by thousands of people in many different ways, whether that is through playing our life saving lottery, by hosting or participating in fundraising events or perhaps by supporting our endeavours through payroll giving.

Another key milestone has been the development of our retail operation. MAAC currently has four charity shops in the region and aims to develop more! The shops provide us with an opportunity to engage with our donors, provide volunteering opportunities, and raise funds through the selling of donated goods from which the proceeds support MAAC's operations.

All of this activity has enabled MAAC to respond to 2,167 patients in need during the financial year. Here is the story of Edward Royle, a MAAC patient who we provided life-saving emergency care to during the 2018/19 financial year.

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CHIEF EXECUTIVE'S REPORT CONTINUED

Patient story – Edward Royle

On Monday 18 June 2018, Edward Royle said goodbye to his wife and left for work on a local farm in Ludlow. Edward travelled to work with a plan for the day, to use a digger and create a large hole, ready for the delivery of a concrete tank later in the afternoon. What Edward did not plan, was that he would be involved in a freak accident that would leave him with life changing injuries, or that the next time he would see his wife, would be as he was being stretchered into a Midlands Air Ambulance helicopter.

Edward explains: "I'd just had my lunch near the hole I'd dug, and was stood watching the unloading of a concrete tank. The next thing I remember is being in the bottom of the hole."

Edward fell approximately 13 feet into the hole, sustaining multiple injuries including a broken eye socket, cracked ribs and a bleed on the brain. The numerous emergency services were called, and due to the severity and location of the incident, the Midlands Air Ambulance from our airbase at RAF Cosford was sent to the scene.

Critical care paramedic Rob Davies, doctor Dave Balthazar and pilot Chris Levey, were on duty that day and arrived on scene,, direct from a previous incident in Shrewsbury.

Rob recalls: "Due to the location of the incident at the top of a steep hill, with nowhere safe to land, Chris made the decision to land at the bottom of the hill on open land.

"We loaded ourselves up with as much equipment as we could, and headed off up the hill. Once we got to Edward, he was very quiet and didn't seem to be responding well. I climbed down to Edward and started to analyse his condition. Dave stayed above the hole to assist with equipment.





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CHIEF EXECUTIVE'S REPORT CONTINUED

"I took a set of observations, inserted an intravenous line and administered morphine for the pain, and ondansatran which is an anti-sickness drug.

"I also got him onto a scoop stretcher, secured him with straps and placed a set of head blocks around his head in case of a neck break. I then attached a set of lifting straps to the stretcher and with the help of the fire brigade, we lifted him out of the hole and down to the aircraft."

Rob and Dave continued to monitor Edward throughout the 18 minute flight to the Queen Elizabeth Hospital in Birmingham, administering further pain relief to ensure Edward was as comfortable and stable as possible.

Edward spent two days in hospital, attending as an outpatient for further treatment for the following six months. In total, he sustained eight injuries, including a small break in his back, a broken nose and a knee injury which concerned doctors due to the extent it was bleeding, as Edward is a diabetic.

Just one day after the accident, Edward's friend, Gerry King, decided to organise a fundraiser for MAAC after hearing about the incident. Gerry organised a dressage to music event at Kings Equestrian in Bromyard, which raised over £2,000. Gerry, Edward and his wife Mandy visited our airbase at RAF Cosford to present the donation to Rob Davies and Chris Levey.

Edward concludes: "It was really wonderful to meet Rob and Chris again, in much better circumstances! Without these guys, I may not even be here to tell my tale, I just can't thank them enough."

This incident is just one example of the thousands of missions MAAC attended during 2018/2019. MAAC paramedics and doctors work with WMAS and hospital clinicians as well as other emergency services teams to provide patients with the specialist care they need.

We are not able to provide our services to those patients in their moment of need without the support of our volunteers, fundraisers, staff and many others supporting us, a fact we never lose sight of. Thank you for your ongoing support.

**Hanna Sebright
Chief Executive**

If you would like to become a supporter of Midlands Air Ambulance Charity either by volunteering, donating, or running an event to raise funds we would love to hear from you.

You can find more details of how to get involved on our web site <http://www.midlandsairambulance.com> or by emailing us on info@midlandsairambulance.com



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Introduction

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act 2006 purposes.

Objectives and activities

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the charity's Memorandum and Articles of Association, 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).

We operate three Helicopter Emergency Medical (HEMS) aircraft based at strategic locations across the six counties we operate within Shropshire, Staffordshire, West Midlands, Worcestershire, Herefordshire and Gloucestershire. This ensures that we can reach 90% of our region within 8 minutes of being asked to attend the scene of a road traffic accident, an individual who has had a heart-attack or fall, or any other occasion where the services we provide could make a difference to the outcome for the patient or patients.

We operate 365 days per year and stagger our flying hours across the airbases in order to extend our operating hours. When conditions prevent our aircraft from flying, for example due to bad weather or poor light, our clinical and operations teams will revert to our fleet of three rapid response vehicles and travel by road instead.

We ensure that we carry a doctor on board our aircraft, whenever the appropriately skilled doctors are available, and our critical care paramedics are highly skilled and well trained professionals in pre-hospital emergency medicine.

During the financial year we introduced a critical care car into our clinical operations. This life-saving service utilises the skills of our advance medical team within urban environments where helicopters may not be able to land and convey. The car focusses on attending to patients suffering cardiac arrest, stroke or sepsis and has increased our capacity levels by 42%.

We work in partnership with WMAS for the provision of medical staff and for the Airdesk team, which is based at WMAS headquarters and provides a vital service in reviewing 999 calls received and identifying those where our services can help.

In addition, Babcock International Group PLC provide the expertise and pilots to ensure that the helicopters are maintained and ready to fly when the 999 call is first received.

Further information on our mission activities can be found within the Group Strategic Report.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

How our activities deliver public benefit

Our charitable activities focus on providing life-saving pre-hospital emergency medicine across the areas 5,200sqm six county geography. We benefit the lives of six million people across all age groups, supporting the region's diverse community base comprising of rural and urban conurbations.

Our service is delivered by consultant doctors and critical care paramedics who are delivered to the scene of the emergency via our helicopters, rapid response vehicles or critical care car, along with specialist medical equipment.

Achievements and performance

MAAC has been in operation since 1991, and we have now responded to over 52,000 missions, making us one of the longest established and busiest air ambulances in the country.

We continue to invest in, and celebrate, our operations and activities. Performance of our air operations missions and critical care car missions is included within the Group Strategic Report.

Each year we set a business plan for the forthcoming financial year, as approved by the Board of Trustees. Performance against the business plan is monitored by the senior management team and reported to the Board of Trustees at each Board meeting.

The key objectives of the 2018/2019 business plan, and performance against these, is noted as follows:

Objective	Performance
Launch the H145 aircraft and critical care car, allowing for extra resource and upgraded facilities.	Additional resources acquired, upgraded facilities complete in May 2019.
Collect and evaluate operational data, as part of our drive to continually development of the organisation, including IT, people, systems and processes.	New reporting mechanisms and outputs produced on regular basis. Utilisation of intelligence to develop the operations and profile the impact of the charity.
Deliver improved profitability and stability of charity shops.	Closure of loss-making shop, relocation of another shop, and opening of new shop following review of location and profitability forecast which has improved profitability. Three year strategic plan to be developed in 2019/2020.
Ensure long-term sustainability of our charitable activities through development of existing and new income generation programmes.	Additional grant funding opportunities sought, applied for and obtained. Expansion of free wills scheme through local partner legal firms. Further opportunities to continue to be developed in 2019/2020 including furtherance of payroll giving and trial of contactless donation terminals.
Develop our people through the provision of information, training and development opportunities.	Training and succession plans developed alongside patient survey to understand and improve clinical performance.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Achievements and performance continued

Objectives from the business plan for the forthcoming year are outlined in the Group Strategic Report.

Structure and governance

Group structure

Members of the charitable group are Midlands Air Ambulance Charity (a company limited by guarantee, registered in England and Wales and a registered charity) and its wholly owned subsidiary Midlands Air Ambulance Trading Company Limited.

Governing documents

The charity and its subsidiary company are governed by Articles of Association which set out the primary purpose (our mission), and the way in which the companies are governed.

The Articles provide for such matters as:

- the number of trustees/directors appointed;
- the frequency in which trustee/director meetings are held, and how they are conducted;
- the powers available to the trustees/directors in decision making.

In addition the trustees/directors recognise that they have a duty and responsibility to comply with requirements and guidance issued by the Charity Commission. These include, but are not limited to:

- ensuring that the charitable group complies with charity law, and prepares reports on what it has achieved, submission of annual returns and financial statements as required by law;
- ensuring that the charitable group remains true to the charitable purpose and objects set out in its governing document;
- complying with the requirements of other legislation and any other regulators which govern the activities of the charitable group;
- acting with integrity, and avoiding any personal conflicts of interest or misuse of charity funds or assets;
- ensuring that the charity is, and will remain, solvent;
- using charitable funds and assets reasonably, and only in furtherance of the charity's objects;
- avoiding undertaking activities that might place the charity's funds, assets or reputation at undue risk;
- taking special care when investing the funds of the charity, or borrowing funds for the charity to use.

Appointment of trustees

Trustee appointments are made on merit after fair and open competition. A committee is selected to carry out the appointments process, and any trustee vacancy is advertised across a spectrum of media.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Appointment of trustees continued

Appointments are made for a term of four years, and trustees may then be reappointed for a further term of four years. Once a trustee has served two terms consecutively he/she may be reappointed for a further term of four years but only after he/she has ceased to act as a trustee for at least a year. The Board has discretion to appoint a trustee for a further consecutive term in appropriate circumstances.

During the year a Board observer was also appointed; the individual was able to undertake all the activities of a Board member however they did not hold any voting rights.

A trustee may not join the Board until he/she has signed a written declaration of willingness to act as a charity trustee.

Trustee induction and training

On appointment a trustee will be provided with an induction programme, which is aimed at supporting them to understand their duties and responsibilities, gain an understanding of the factors affecting the charity and its subsidiary, and contribute fully to Board meetings as quickly as possible. The programme will provide for a range of activities including, but not limited to:

- provision of focused reading materials
- in the role development
- meetings with key stakeholders
- meetings with senior and operational management teams
- site visits

Trustee indemnity insurance

The charity holds trustees and directors indemnity insurance cover of £1,000,000 (2018: £1,000,000), the cost is not separable from the total cost of insurance.

Trustees' responsibilities in relation to the financial statements

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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Trustees' responsibilities in relation to the financial statements continued

Company law requires the charity trustees to prepare financial statements for each year, which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Trustees and Directors

The directors of Midlands Air Ambulance Charity are its trustees for the purpose of charity law. The Trustees and Directors of the group companies serving during the year and since the year-end are as follows:

Name	Boards/Committees Served	Date of Appointment (within year)	Date of Resignation (if applicable)
Mr B Connor	Charity Board (Chair to 10.5.2018)		Resigned 5.10.2018
Mr R Fulton	Charity Board, Audit & Risk Committee, HR & Remuneration Committee		
Mr I Graves	Charity Board, HR & Remuneration Committee (Chair)		
Mr A Lennox	Charity Board, Audit & Risk Committee		
Mr R Pemberton	Charity Board (Chair from 10.5.18), Trading Board (Chair to 4.7.2018)		
Mr T Rice	Charity Board, Fundraising Committee		
Mr R Richmond	Charity Board, Audit & Risk Committee		
Mr N Whale	Charity Board, Fundraising Committee		
Mr W Saleem	Charity Board, Fundraising Committee	Appointed 5.10.2018	
Dr J James	Charity Board, HR & Remuneration Committee	Appointed 5.10.2018	Resigned 3.5.2019
Mr T Sehgal	Trading Board (Chair from 4.7.2018)		
Mr L Bagnall	Trading Board		
Ms H Sebright	Trading Board		
Mr J Levy	Trading Board		Resigned 4.7.2018

Related parties and co-operation with other organisations

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee, or senior manager of the charity, with a supplier must be disclosed in an annual return, and declared at each trustees meeting in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Management and organisation

Decision making

Trustees have responsibility for setting the strategic direction of the charity and have overall responsibility for the actions and financial matters of the charity and its subsidiary.

The charity has in place a scheme of delegation, which clearly defines the matters the Board of Trustees are responsible for. The Board devolves to its committees' authority to make decisions on a number of matters outlined below. However, the Board retains collective responsibility for those decisions.

Subject	Committee
Consideration and approval of external audit programmes and plans	Audit and Risk
Financial management and investment recommendations	Audit and Risk
Review proposals and make recommendations to the Board on pay and conditions of the charity	HR and Remuneration
Review proposals and make recommendations to the Board on staff pay awards	HR and Remuneration
Approve fundraising policies and procedures	Fundraising
Approve policies not listed under the responsibilities of the Board	All
Receive reports from specific investigations and make recommendations for remedial action	All
Review and monitor risk management	Audit and Risk

The Board delegate day-to-day management to the Chief Executive Officer and the senior management team. In all respects, this only relates to matters that are within the strategic plan, the business plan and budgets that have been approved by the Board.

Key management personnel

The Board and the senior management team comprise the key management personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis. The senior management team comprises:

Title	Name
Chief Executive Officer	Ms H Sebright
Fundraising & Marketing Director	Ms E Gray
Finance Director	Mrs T Rollings
Director of Business Support	Mrs A Watkins
Air Operations Manager	Mr I Roberts



REPORT OF THE TRUSTEES For the year ended 31 March 2019

Administration and finance

The charitable purpose, and fundraising to support that activity, is always at the forefront of our minds, but we also strive to ensure that we keep our administrative and financial systems and processes fit for purpose and cost effective.

We continually review our customer relationship management database to improve quality of donor records and the information the system can provide, as well as ensuring at all times the charitable group remains compliant with the EU General Data Protection Regulation (GDPR).

We continually train our staff in areas such as customer service and data protection, and we recognise their achievements and successes in staff awards for which nominations and voting is undertaken by fellow staff members.

Our aim is to keep our administration and finance costs at less than 12% of the income received, and we are pleased to be able to record that for this financial year we spent only 5.1% of our income on support and governance costs.

Financial review

Our aim each year is to raise sufficient income to cover all expenditure, as well as generate additional monies in order to be able to invest in larger projects for the future, for example purchasing new aircraft.

None of our income streams are guaranteed; we rely on donations from the public, corporate partners and grants from awarding bodies. This position could not be achieved without the fantastic contributions of both funds and time made by our supporters, volunteers and corporate partners. A summary of our income by core stream is as follows:

Income stream	Description	%
Donations and fundraising events	Cash donations from public, fundraising events held, including monthly amounts received via direct debit or standing order	13.9
Lottery	Weekly lottery draw, £1 per play	29.9
In memoriam and legacies	Gifts in wills and donations in memory of a loved one	41.4
Corporate partners	Donations and sponsorship from regional companies	4.5
Grants	Restricted and unrestricted amounts received from grant making trusts and other bodies	4.7
Charity shops	Income from sale of donated goods through our regional charity shops	2.8
Other	Other income	2.8
Total		100



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Reserves policy

The trustees have established a reserves policy in order to bridge the timing gap between the spending and receiving of income, to cover unplanned emergency repairs, and to fund the purchase of high cost assets such as a new aircraft or new buildings. Reserves are categorised under three main headings:

Restricted reserves are held where funds have been given with a specific purpose or use in mind. These funds are ring-fenced, and held in restricted reserves until they have been spent. The reserve is then released in full in the year the expenditure has been incurred. Restricted reserves at the end of the reporting period were £138,000 (2018: £193,000).

Designated reserves are set aside by trustees to meet known future objectives, and costs. Total designated reserves at the end of the financial year were £11,681,000 (2018: £12,354,000). Reserves are designated for fixed assets (the reserve is released or increased as assets are accounted for) as well as for expected further investment requirements into fixed assets and equipment. Such reserves can only be realised by disposing of tangible fixed assets.

General reserves are those reserves which are not restricted or designated. This type of reserve is held in part to provide a safety margin. Should our income fall, it will enable us to maintain the core service we provide to our communities whilst we develop alternative funding or alternative plans. The level of reserve held in this regard is calculated using a risk based approach, but broadly equates to 12 months operating costs. In addition, we are also committed to ensuring our services are available for future generations, so we use general reserves to ensure there are funds available to accumulate funds towards the costs of significant future developments and capital purchases. Total general reserves at the end of the reporting period were £23,513,000 (2018: £17,428,000), of which £10,135,000 (2018: £7,500,000) is set aside for expenditure protection. Trustees review the level of reserves held at least annually.

Investment powers and policy

The Articles of Association of the charity provide the trustees with the power to: 'deposit or invest the charity's funds in any manner as may be thought fit, but only after obtaining such advice from a financial expert as the trustees consider necessary and having regard to the sustainability of investments and the need for diversification.' In addition, the Articles support the delegation of the management of investments to a financial expert.

Trustees recognise that they have a duty to protect the charity's funds and to ensure that investments are balanced and protected. They have put in place an investment policy, which sets the framework in which investments are made and managed within the charity. In setting the policy, trustees give consideration to ethical matters, and to risk.

When investment decisions are made the timing of the planned use for the reserves is taken into account, and investments are made in order to ensure that funds are available when needed.

Funds invested in the Rathbones Charity Fund are targeted to achieve Consumer Price Index (CPI) + 4% over the long term. Over the three years to 31st March 2019 the fund achieved a return of 28.9% net of fees, which is 8.8% ahead of the target.

**REPORT OF THE TRUSTEES**
For the year ended 31 March 2019

Pay policy for senior staff

Pay is benchmarked against other charities of a similar size and in the same geographical region. Consideration is given to any additional responsibilities held on a position by position basis, and if recruitment has proven difficult in the recent past a market addition may also be paid.

The pay of all charity staff, including the senior team, is reviewed annually and any increases awarded are based on performance against objectives on a position by position basis.

Taxation

MAAC is a registered charity and has charitable status with HMRC. The trading subsidiary does not have charitable status for corporation tax purposes and is registered for VAT. From 1 April 2015 air ambulance charities have been eligible for partial recovery of the VAT incurred on expenditure under Section 33 of VAT Notice 1001.

Reference and administrative details

Charity number:	1143118
Company number:	07683841 (A company limited by guarantee, registered in England and Wales)
Registered office:	Hawthorn House, Dudley Road, Lye, West Midlands, DY9 8BQ
Company secretary:	Ruth Latham, Wall James Chappell (appointed 16 November 2018), Philip Chapman, Wall James Chappell (resigned 16 November 2018)

Our advisers

Auditor	Mazars LLP	45 Church Street, Birmingham, B3 2RT
Bankers	Barclays Bank plc	Queen Square, Wolverhampton, WV1 1DS
Company secretary	Wall James Chappell	15-23 Hagley Road, Stourbridge, DY8 1QW
Solicitors	Withers LLP	16 Old Bailey, London, EC4M 7EG
Investment advisers	AFH Group	Buntsford Drive, Bromsgrove, B60 4JE

Exemptions from disclosure

MAAC has taken no exemptions from disclosures.

Funds held as custodian trustee on behalf of others

There are no such funds held by the charity or its subsidiary.



REPORT OF THE TRUSTEES
For the year ended 31 March 2019

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made the enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information, and to establish that the auditor is aware of that information.

This report was approved by Trustees on 24 July 2019 and is signed on their behalf by

Mr Roger Pemberton
Chairman



GROUP STRATEGIC REPORT
For the year ended 31 March 2019

Our Mission

TO PROVIDE PATIENTS WITH OUTSTANDING PRE-HOSPITAL CARE AND LIFE SAVING INTERVENTION THROUGH THE OPERATION OF HELICOPTER LED EMERGENCY MEDICAL SERVICES

Our mission is to continue to save more lives and improve survivors' quality of life through the provision of a comprehensive, transparent, clinical and operational helicopter led emergency service ("HEMS") aligned to changing patient need.

Our Vision

SAVING LIVES BY SAVING TIME, TODAY, TOMORROW AND IN THE FUTURE

Our Board provides strong leadership and direction and our staff are supported and included, with a 'one team culture,' and clear understanding of their role(s), of MAAC's values and the important part they play in the success of the organisation.

We will deliver strong financial management in support of our sustainable fundraising and demonstrate the appropriate use of funds. We will provide financial, operational and clinical data, to demonstrate the best use of charitable funds and we will continue to develop evidence based patient outcome data.

We will remain innovative and pro-active and adapt to wider changing environments that directly impact on our core purpose. Whilst our main focus is on our helicopter service, central to our mission is our focus on pre-hospital care; as such we have diversified our operation to deliver this both by air and land.

Our Values

Our values are embedded into everything that we do. They are reviewed annually by our staff, most recently at the annual staff away day in December 2018.

CONTINUOUS IMPROVEMENT:	To ensure effective and efficient operations
LOYALTY:	A responsible and responsive employer, partner and community based organisation
OPENNESS:	We are open to new ideas and ways of working, providing total transparency to all stakeholders
TEAMWORK:	We will work together to ensure that patient outcome remains our key focus
HONESTY:	Creating a culture which embraces and encourages honesty

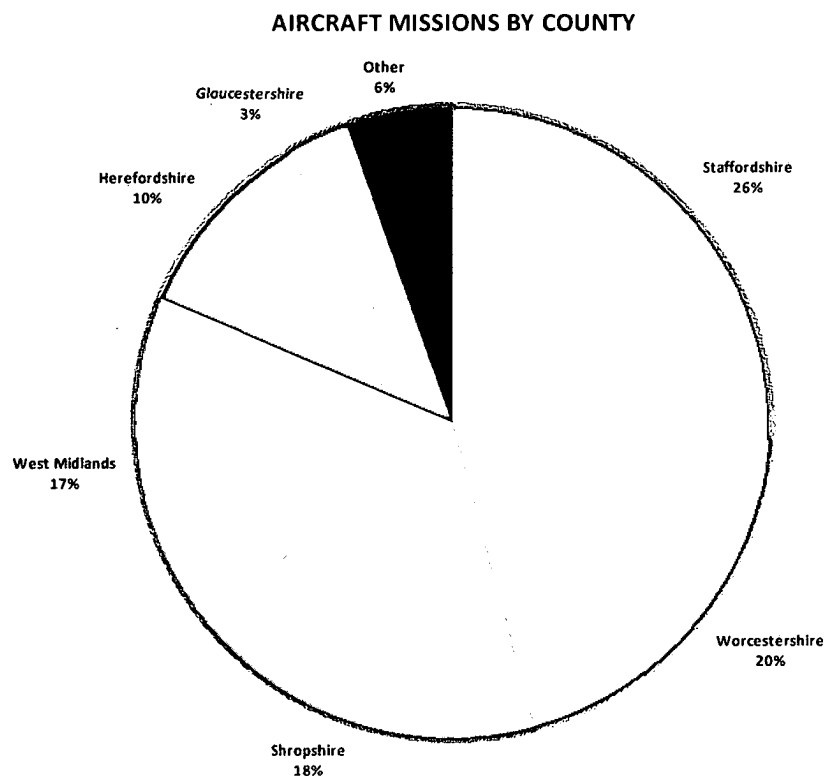
GROUP STRATEGIC REPORT For the year ended 31 March 2019

Analysis of performance

Air operations missions

During 2018/2019 the total missions attended by Midlands Air Ambulance was 3,732 (2018/2019: 2,200). This includes 1,656 missions by the critical care car.

Whilst each medical team and aircraft will ordinarily attend missions that are within our region and closest to the home base, attendance at any incident will primarily be decided on medical grounds. Sometimes the fastest response time is more important, and sometimes it is the capability of the aircraft and aircrew that are the deciding factor. Across our three airbases at Cosford, Strensham and Tatenhill the missions by area for 2018/19 were:

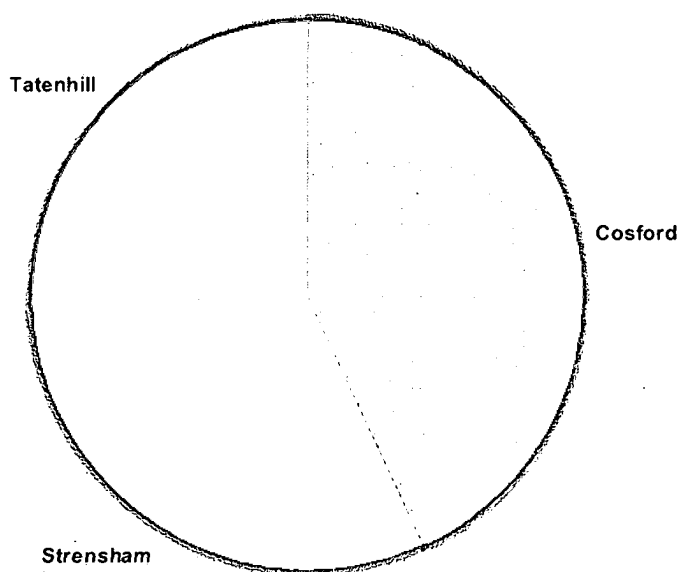


GROUP STRATEGIC REPORT
For the year ended 31 March 2019

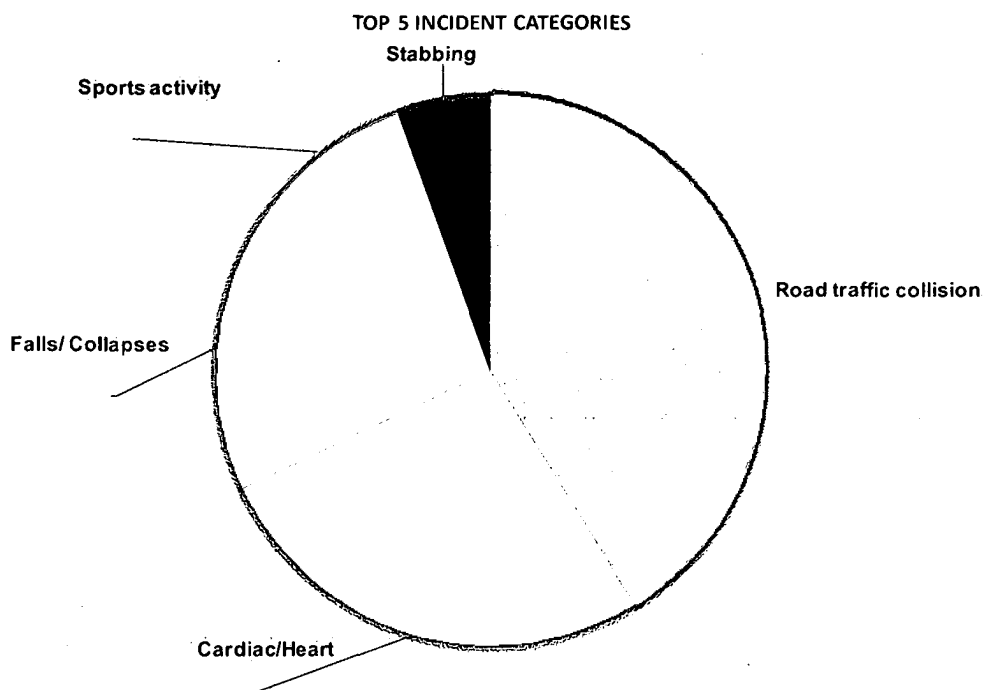
Air operations missions continued

The percentage of missions attended by personnel at each airbase was:

MISSIONS BY AIRCRAFT



Below is an overview of the types of missions the clinical team have undertaken:

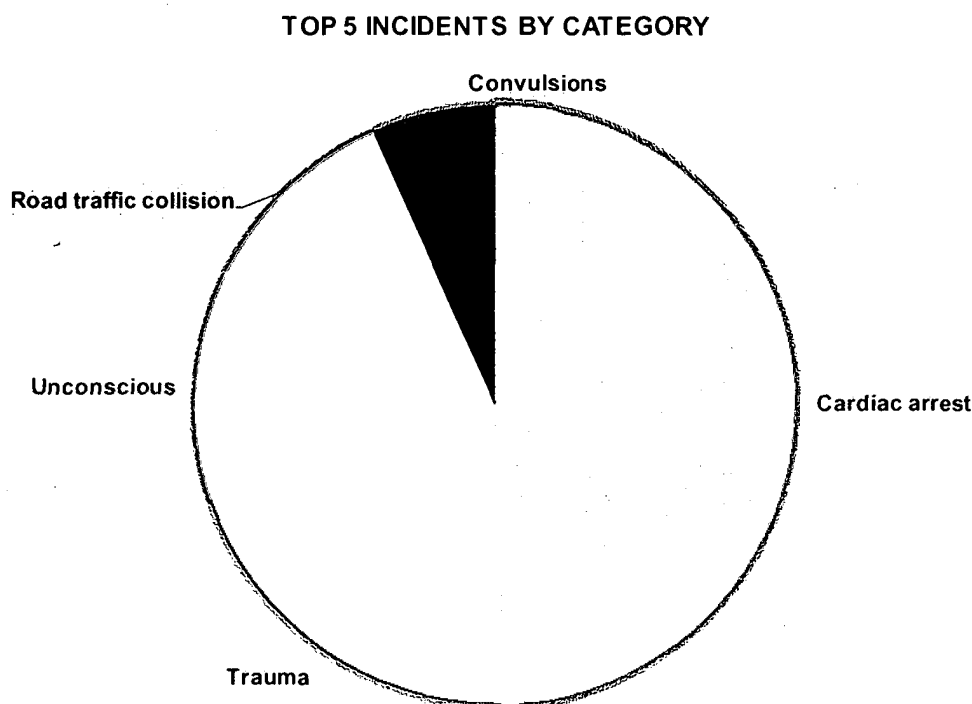




GROUP STRATEGIC REPORT
For the year ended 31 March 2019

Critical care car

MAAC's first critical care car became operational during the financial year after the identification of the need for specialist paramedics to assist with cardiac arrests, strokes and sepsis in urban areas. The car has been primarily responding to patients in Birmingham and the Black Country. The car has attended the following categories of incident:



The car has been such a success that MAAC will be launching a second critical care car in the Worcester and surrounding area in the upcoming financial year.

The launch of the critical care car has also included the addition of a clinician on the air/trauma desk at WMAS to facilitate the tasking of the critical care car. The clinician will have the capacity to task the second car too.

Airbase development

MAAC's southern airbase located at Strensham in Worcestershire has had a significant extension and refurbishment of the existing facility. The new facility is substantially larger, providing an enhanced working environment for the aircrew. This includes a training area, larger office with workstations, better equipped living accommodation, changing rooms and medical supply stores. In addition, there is a new visitor area to facilitate scheduled airbase visits (community and educational) with a kitchenette and views overlooking the helipad.



GROUP STRATEGIC REPORT For the year ended 31 March 2019

Website

Towards the end of the financial year MAAC's website was overhauled and re-launched: www.midlandsairambulance.com. The new website has a responsive design, which means that it is scalable across different devices (e.g. desktop, laptop, phone, tablet etc.). Key call-to-actions include donation and volunteering options, the lottery, events and retail, plus partnership opportunities. Over a 12-month period, analysis shows a steady growth in directly attributable revenue. Additionally, the asset indirectly supports income delivery of other business areas – e.g. corporate partnership and events. Work is being undertaken to review, optimise and increase the financial contribution from the website moving forward.

Fundraising and marketing

We are registered with the Fundraising Regulator which oversees fundraising in the charity sector. We are committed to following a strong ethical framework in our fundraising activities.

We receive fantastic support from our community and many of our fundraising events are organised and run by volunteers. We also organised a number of very successful fundraising events. The events included:

- Bike4Life – a motorcycle ride-out and bike festival, which attracted over 3,000 riders and 10,000 visitors
- Awards Dinner and Ball – attracting hundreds of supporters who help to recognise the support of our volunteers, corporate supporters, aircrew and donors
- Airbase open days – community based activity that provide a fun family day with opportunities to see inside our aircraft, talk to the crew, and participate in a number of fun activities for the young and young at heart
- Corporate golf day – a great opportunity for our corporate supporters to entertain their clients whilst raising funds for the charity

Details of our main income streams are included in Note 2, 3 and 4 to the financial statements.



GROUP STRATEGIC REPORT For the year ended 31 March 2019

Volunteers

We are delighted to have been awarded the Investors in Volunteers quality standard. The standard is focussed on the experience the volunteers themselves receive, and the way in which the charity engages with them across our region. We value our volunteers highly as without them the charity would not be as successful as it is, and we work hard to ensure that each person feels recognised and a part of the organisation.

We can offer our volunteers a range of opportunities including:

- working in our charity shops
- speaking at events promoting the charity's work
- supporting the deployment of our community enabled lit landing sites
- supporting the charity office staff with expertise and support
- supporting our charity managed and community events.

Our Volunteers Manager provides support and a point of contact for every volunteer, and helps to ensure that their hard work does not go unnoticed. Importantly we also recognise and celebrate the contribution to the charity's success made by our volunteers at our awards dinner and ball, annual volunteers lunch and volunteers week.

As part of our commitment, we hold quarterly meetings across the region, where volunteers have an opportunity to meet each other, as well as the clinical teams, charity staff and trustees. Charity staff members regularly work alongside volunteers at events and donation collections, and we have an annual survey for volunteers to provide feedback on how they feel about the charity and their role.

Corporate partners

We value highly the relationships we have with our business partners. These corporate bodies give back to the community by working with the charity, providing us with sponsorship for events, prizes for auction/raffles, and/or by giving us the benefit of their expertise so that we can continue to develop what we do at minimal direct cost. Many of these supporters have built relationships with us over many years, and they are a vital part of keeping our service flying.

Our staff

We are proud to report that we have gained the Investors in People accreditation at silver level. The standard recognises the work needed to lead, support and manage people well, and is internationally recognised by organisations around the world.

In addition, we have gained the Charity Mark Level 2 standard. This quality standard is endorsed by the Charity Commission, and gives a quality assurance around the charity's governance, financial and risk management procedures.



GROUP STRATEGIC REPORT
For the year ended 31 March 2019

Our staff continued

Without staff and volunteers MAAC cannot operate. Several additional staff posts have been identified as required to better enable MAAC to facilitate its core objective, all of which are included within the new financial year's budget. The professional development of staff has always been embedded into MAAC's values (continuous improvement). The upcoming year's focus will continue to provide development for staff as well as the delivery of a new volunteer plan for the recruitment, retention and development of volunteers.

Operational environment

MAAC has a partnership arrangement with WMAS enabling the charity to provide pre-hospital emergency medicine to patients across the six counties in their time of need. The population in the UK has been increasing and is anticipated to continue to increase. In addition people are living longer which could increase the number of medical interventions an individual needs during their lifetime. WMAS predict that the number of medical incidents they receive 999 calls for will increase by 4% per year; MAAC anticipates this increase will be reflected in the number of missions it undertakes.

Alongside an anticipated increase in demand for our life-saving service, advances in medicine and clinical procedures are continuous. Our clinical staff are provided to us through secondment arrangements with WMAS. Our staff are not only provided with critical care training and helicopter emergency medical services (HEMS) training; they receive and practice up to date training on new procedures and clinical equipment throughout their placement with us. The provision of services we can provide is continuously updating and improving, furthering patient care.

Our service is provided utilising WMAS clinical policies and procedures and our operations are within WMAS' Care Quality Commission registration. For aviation matters our core provider is Babcock International Group PLC (Babcock), specialists in provision of aviation emergency services. Babcock provide the pilots for our aircraft, maintain and service our aircraft and implement all aircraft and airside operational procedures, ensuring compliance with all regulatory aviation requirements.

As mentioned above in the Report of the Trustees, all of our income is received from individuals, corporate partners and grants. The current economic environment, encompassing austerity, inflation and uncertainty due to Brexit can put strain on individuals' finances as well as corporations' profitability. Against this backdrop of potential reduced income generation in the future our costs of operating our services will increase. Such costs include inflation, wage increases, price increases, increased delivery of service and purchase of new medical equipment. MAAC will monitor these factors in the forthcoming financial year, as well as its financial position and strength, to ensure it can continue to provide its charitable activities in the short, medium and long term.



GROUP STRATEGIC REPORT For the year ended 31 March 2019

Principal risks

Risk management

The charitable group has in place a risk management policy, which is reviewed annually by the senior management team and trustees, and updated when necessary. The policy provides a framework, which supports the development of an organisational culture whereby well trained staff proactively identify and manage risks locally, and there is effective risk intelligence and processes of assurance to inform the Board of Trustees.

The policy aims to challenge complacency by understanding the risks in all aspects of the business. This provides and supports the continual update of the risk register, which identifies, manages and wherever possible eliminates, shares or reduces risk to acceptable cost effective levels. Each risk is assessed numerically for the likelihood of it occurring and the consequence if it did, so that significant risks can be identified, and ways to mitigate those risks identified and implemented. The risk register is updated by the senior management team whenever a risk area changes, but is formally reviewed by each trustee committee, the subsidiary's board and by the charity Board at their quarterly meetings.

The main risks identified on the register are:

Risk	Mitigating actions
Loss of aircraft due to supplier operations, incident or regulatory failure	<ul style="list-style-type: none"> Contractual arrangements and monitoring of supplier performance and provision Availability of back-up aircraft Emergency back-up procedures in place Access to and utilisation of rapid response vehicles
Misappropriation of funds and/or significant decline in income	<ul style="list-style-type: none"> Financial policies and procedures, with appropriate training and segregation of duties Diverse income streams with no reliance placed on one source Regular monitoring of management accounts and flash reports Oversight from Fundraising Committee
Failure to protect MAAC's reputation	<ul style="list-style-type: none"> Crisis management procedure Monitoring of media and social media, including staff briefing on use of social media Risk assessments undertaken for all charity managed events
Recruitment and retention of staff and volunteers	<ul style="list-style-type: none"> MAAC values embedded across organisation Salaries and benefits benchmarking Annual staff survey with follow up on themes for improvements Volunteers quarterly meetings and annual recognition events



GROUP STRATEGIC REPORT For the year ended 31 March 2019

Plans for future periods

The charity's strategic plan for the current period runs from 2017 to 2022. Each year, an annual business plan is established and designed to deliver upon the strategic plan. The key themes within the forthcoming year's business plan are set out below.

1) To complete a full review of our clinical operational model and to continue to develop our patient care

During the financial year MAAC reviewed the clinical model of working and identified opportunities to enhance the care provided to patients. Currently typically two out of the three aircraft fly with a doctor and a critical care paramedic (CCP) on board, with the third aircraft operational with two CCPs. Doctors trained in pre-hospital emergency medicine are able to provide different skills and experience than CCPs, therefore MAAC will increase the number of doctors it works with to facilitate a doctor being available on each aircraft, every day.

2) To implement a MAAC social impact that puts the development, health and well-being of our people, including aircrew and staff as well as the wider community of volunteers, corporate partners, donors and supporters at the heart of everything we deliver

Without staff and volunteers MAAC cannot operate. Several additional staff posts have been identified as required to better enable MAAC to facilitate its core objective, all of which are included within the new financial year's budget. The professional development of staff has always been embedded into MAAC's values (continuous improvement). The upcoming year's focus will continue to provide development for staff, including a focus on health and well-being at work, as well as the delivery of a new volunteer plan for the recruitment, retention and development of volunteers. Volunteers support MAAC's activities from fundraising, assisting with events, working in the charity shops and undertaking administrative duties.

3) To develop our income streams embracing new technology and resources

In the upcoming financial year MAAC will seek to diversify its income streams. MAAC is very appreciative of the donations it already receives but acknowledges there are more opportunities to engage with donors, both existing supporters and new supporters. Opportunities for taking donations through contactless technology, signing up new Retail Gift Aid Scheme donors in our shops through the use of tablet devices and extending our payroll giving to new employees and employers are all planned and successes will be monitored.

4) Ensure compliance in all areas of governance across the organisation

An internal programme of activities will be developed to help in raising awareness of equality and diversity, including appointment of an equality and diversity champion. GDPR practices have been embedded across the organisation, however with the first anniversary of the introduction of GDPR we will take the opportunity to review our practices and further develop our compliance checks, utilising internal audit as appropriate. VAT arrangements will also be reviewed to ensure compliance and reduce VAT liabilities where possible.



GROUP STRATEGIC REPORT
For the year ended 31 March 2019

Plans for future periods continued

5) Future proofing and amplifying the MAAC brand

As part of developing a fundraising and marketing strategy we will consider two strategic points: (1) a brand review programme to evaluate MAAC's current brand positioning and establish future potential working with key stakeholders; and (2) a regional brand engagement programme, identifying new relationships with public and corporate stakeholders and initiatives, representative of the region's diverse community.

Progress against these business plan objectives will be reported on within the 2019/2020 financial statements.

This report was approved by Trustees on 24 July 2019 and is signed on their behalf by

Mr Roger Pemberton
Chairman



INDEPENDENT AUDITOR'S REPORT

To the members and trustees of Midlands Air Ambulance Charity

Opinion

We have audited the financial statements of Midlands Air Ambulance Charity (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise of the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2019 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group's or the parent 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.

INDEPENDENT AUDITOR'S REPORT

To the members and trustees of Midlands Air Ambulance Charity

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Group Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.



INDEPENDENT AUDITOR'S REPORT

To the members and trustees of Midlands Air Ambulance Charity

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 9-10, the trustees (who are also the directors of the parent charity 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, and for such internal control as the trustees 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 group's and the parent 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.

Auditor's responsibilities for the audit of the financial statements

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 the audit report

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

Ian Holder (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

Date: 24 July 2019



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
including consolidated income and expenditure account
for year ending 31 March 2019

	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2019 £'000	Total funds 2018 £'000
Income:						
Donations and legacies	2	13,882	-	323	14,205	13,807
<i>Income from charitable activities:</i>						
Hospital transfers		11	-	-	11	8
<i>Income from other trading activities:</i>						
Trading activities	3	422	-	-	422	391
Fundraising events	4	226	-	-	226	234
Investment Income	5	404	-	-	404	313
Other Income		3	-	-	3	17
Total income		14,948	-	323	15,271	14,770
Expenditure						
<i>Costs of raising funds</i>						
Trading activities	3	386	-	-	386	414
Fundraising activities and events	4	2,862	-	-	2,862	2,638
Investment Management costs	5	33	-	-	33	64
<i>Expenditure on charitable activities</i>						
Aircraft and base costs	6	4,907	-	341	5,248	4,884
Patient care and support	6	1,455	-	37	1,492	1,065
Total expenditure		9,917	-	378	10,021	9,065
Net Gain/(Loss) on investments	15	107	-	-	107	70
Net income/(expenditure)		5,138	-	(55)	5,357	5,775
Transfers between funds		673	(673)	-	-	-
Net Movement in Funds		6,085	(673)	(55)	5,357	5,775
Reconciliation of funds						
Total funds brought forward		17,428	12,354	193	29,975	24,200
Total funds carried forward		23,513	11,681	138	35,332	29,975

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

Detailed comparative data for 2018 is included in Note 9.

CONSOLIDATED AND CHARITY BALANCE SHEETS
as at 31 March 2019

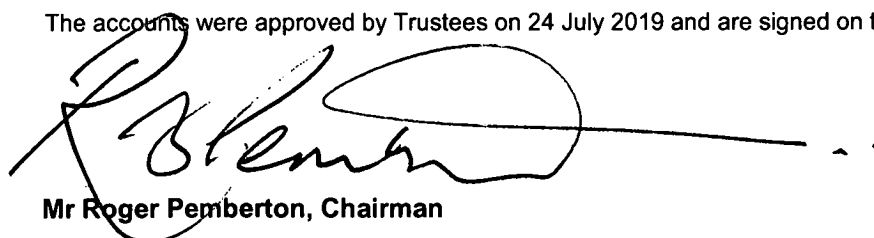
	Note	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Fixed assets:					
Tangible assets	13	10,073	10,838	10,048	10,803
Intangible assets	14	11	16	11	14
Investments	15	11,692	8,781	11,692	8,781
Total Fixed Assets		21,776	19,635	21,751	19,598
Current assets:					
Stock		30	22	-	-
Debtors	16	1,735	1,207	1,833	1,349
Short term deposits		7,363	7,335	7,363	7,335
Cash at bank and in hand		5,015	2,635	4,945	2,590
Total Current Assets		14,143	11,199	14,141	11,274
Liabilities:					
Creditors falling due within one year	17	587	859	532	833
Net Current Assets		13,556	10,340	13,609	10,441
Total Assets less Current Liabilities		35,332	29,975	35,360	30,039
Creditors: amounts falling due after more than one year					
		-	-	-	-
Net Assets		35,332	29,975	35,360	30,039
The funds of the charity:					
Unrestricted income funds	19	23,513	17,427	23,566	17,529
Designated Reserves	19	11,681	12,354	11,656	12,317
Restricted income funds	19	138	194	138	193
Total Charity Funds		35,332	29,975	35,360	30,039

The charity has prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The surplus generated by the charity for the financial year was £5,321,000 (2018: £5,798,000).

The notes at pages 33 to 50 form part of these accounts.

The accounts were approved by Trustees on 24 July 2019 and are signed on their behalf by



Mr Roger Pemberton, Chairman



CONSOLIDATED STATEMENT OF CASHFLOWS
for the year ending 31 March 2019

	Group 2019 £'000	Group 2018 £'000
Cash used in operating activities	4,941	7,826
Cash flows from investing activities		
Dividends and Interest from investments	67	313
Proceeds from sale of property	-	12
Purchase of fixed assets	(99)	(6,814)
(Increase)/Decrease in short term deposits	(28)	(1,589)
Purchase of investments	(2,500)	-
Cash provided by/(used in) investing activities	(2,560)	(8,078)
Cash used in financing activities	-	-
Increase/(Decrease) in cash and cash equivalents in the year	2,381	(252)
Cash and cash equivalents at the beginning of the year	2,634	2,886
Total cash and cash equivalents at the end of the year	5,015	2,634

**RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	Group 2019 £'000	Group 2018 £'000
Net income/(expenditure) for the period	5,357	5,774
Depreciation and amortisation charges	869	492
Movement on investments	(107)	(268)
Dividends, and interest from investments	(371)	(313)
Loss on sale of fixed assets	-	(12)
(Increase)/Decrease in stocks	(8)	3
(Increase)/Decrease in debtors	(527)	2,159
(Decrease)/Increase in creditors	(272)	(9)
Net cash in operating activities	4,941	7,826

ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2019 £'000	Group 2018 £'000
Cash in hand	5,015	2,886
Total cash and cash equivalents at the end of the year	5,015	2,886

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

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

Basis of preparation

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 Companies Act 2006.

Midlands Air Ambulance Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Use of estimates and judgements

When preparing the financial statements, the trustees and management make a number of judgements, estimates and assumptions on the way in which assets, liabilities, income and expenditure is recognised and measured.

The loan to the trading company by the charity has been recognised at the present value in recognition of the changes required by FRS 102. The loan has been issued on an interest free basis. The present value of this loan has been recognised based on an assumed interest rate of 4%, which represents the prevailing market rate of interest for similar loan.

Value Added Tax (VAT)

VAT receivable and recoverable by the Charity have now been separately identified within debtors and creditors, rather than being reported net. Group companies are not part of a VAT group.

Going concern

These accounts have been prepared on the basis that the charity is a going concern, because the trustees consider that there are sufficient reserves to secure the future of the charity for at least the next 12 to 18 months.

Basis of consolidation

These accounts consolidate those of the charity and its wholly owned subsidiary Midlands Air Ambulance Trading Limited. These are adjusted, where necessary, to conform to group accounting policies. The individual results of the Trading Company are included in Note 3. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented in accordance with the exemption afforded by section 408 of the Companies Act 2006. The charity surplus for 2019 was £5,320,000 (2018: £5,798,000). This is made up of Income £14,849,000 (2018: £14,379,000) and Expenditure £9,635,000 (2018: £8,652,000).

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity, which the trustees have decided, at their discretion, to set aside to use for a specific purpose. Restricted funds are donations that the donor has specified are to be solely used for particular purposes or purchases.



NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies continued

Income

All income is reported gross when raised by the charity or its agents. Any fee charged by a third party and deducted from the amount collected before it is remitted to the charity is not offset against income but is reported as a fundraising expense.

Income is recognised in full within the Statement of Financial Activities as soon as the following three factors can be met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the charity;
- Probability – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity;
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

a) Legacies

Legacies are included in the Statement of Financial Activities when all the criteria for income recognition have been met. In addition, where the entitlement and probability criteria have been met, but the monetary value is not completely certain, then if reliability can be placed on a partial receipt, that income also will be included in the Statement of Financial Activities.

b) Event income

Income received in advance of an event is deferred if the event takes place after the year-end, unless that income is non-refundable.

c) Gifts in kind

Assets donated to the charity for its own use are included in the Statement of Financial Activities as incoming resources at the market value at the time of the gift.

Assets and gifts made for conversion into cash and subsequent application for the charity are included in the accounting period in which the item/s are sold at the sale value.

d) Volunteers and supporters

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers and supporters, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies continued

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

a) Allocation of overhead and support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's air ambulance operations. These costs have been allocated between the cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

Costs of fundraising activities include the costs of supporting donors, volunteers, and all events, which bring in income to the charity, as well as the costs of the Lottery, and events run by the charity itself.

b) Operating leases

The charity classifies the lease of premises and the helicopters as operating leases; as the title to the asset remains with the lessor. Rental charges are charged according to the terms of the agreement. Full details are provided in Note 18.

c) VAT recovery

Government changes in VAT legislation in April 2015, has enabled air ambulance charities to recover a proportion of the VAT suffered on costs, in accordance with Section 33 of VAT Notice 1001. Any irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Balance Sheet

The Balance Sheet reflects the resources available to the charity, and identifies any restrictions placed on their use.

a) Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and depreciated over their estimated useful economic lives on a straight-line basis.

Depreciation is charged in each main class of tangible asset as follows:

Leasehold property improvements	20% straight-line basis
Office equipment	20% straight line basis
Computers	20% straight-line basis
Motor vehicles	33% straight-line basis
Helicopters	5% straight-line basis

b) Intangible assets

Intangible assets e.g. software is capitalised at cost and amortised as follows:

Software	20% straight-line basis
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NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies continued

c) Investments

Investment funds are stated at market value at the Balance Sheet date. The Statement of Financial Activities includes the net gain or loss during the financial year. Detailed analysis of the changes in investment value during the year is set out in Note 15. Investments in group undertakings are stated at cost.

d) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

e) Stock

Stock is included at the lower of cost or net realisable value, on a first in, first out basis. Donated items of stock are recognised at fair value, which is the amount the charity would have been willing to pay for the items on the open market.

f) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

g) Short term deposits

The charity categorises short-term deposits as those funds intended to be held in accounts for five years or less.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Interest free intercompany loans are recognised at present value.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments, cash at bank and in hand, and short term deposits which are held at fair value.

Financial assets held at amortised cost comprise trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, accruals, and provisions.



NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies continued

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgement, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the Trustees in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year, are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

The areas where these judgements and estimates have been made include the following for the group:

a) Amortisation, depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all tangible and intangible fixed asset classes, and have concluded that the asset lives and residual values are appropriate.

b) Accrued income

Accrued income includes legacy income amounts. In recognising accrued legacy income, the Trustees have considered the probability of receiving each legacy. Each legacy is carefully assessed to determine an appropriate allowance which reflects the possibility of not subsequently receiving the full legacy income amounts that the charity is aware of. The allowance is based on the circumstances behind each legacy and the probability of receiving the income.

2. Income from donations and legacies

	2019 £'000	2018 £'000
Donations	2,325	2,306
Lottery and regular giving	4,829	4,281
Legacies and in memorium	6,326	5,640
Grants	725	1,580
	14,205	13,807

Of the grant income received during the year £323,000 is restricted in its use (2018: £1,191,000). Further details of the grants received are set out in Note 19.



NOTES TO THE FINANCIAL STATEMENTS

3. Trading activities

The wholly owned trading subsidiary Midlands Air Ambulance Trading Company Limited is incorporated in the United Kingdom (company number 08256466) and pays profits, which are surplus to trading requirements, to the charity under the gift aid scheme.

The trading company operates charity shops selling clothing, furniture etc., sells merchandise and generates recycling income. The summary financial performance of the subsidiary is:

	2019 £'000	2018 £'000
Statement of Comprehensive Income		
Turnover	422	391
Cost of sales	(30)	(25)
Gross profit	392	366
Administrative expenses	(356)	(389)
Operating profit/(loss)	36	(23)
Donation to Midlands Air Ambulance	-	-
Taxation	-	-
Retained profit/(loss)	36	(23)
	2019 £'000	2018 £'000
Balance Sheet		
Fixed assets	25	37
Current assets	145	97
Current liabilities	(152)	(154)
Liabilities > 1 year	(46)	(44)
Total net assets	(28)	(64)
Share capital and reserves	(28)	(64)



NOTES TO THE FINANCIAL STATEMENTS

4. Fundraising events and activities

The charity generates its income through a range of activities and initiatives, which includes but is not limited to running its own events as identified below:

	2019 £'000	2018 £'000
Income from events		
Charity managed events	226	234
	226	234

The costs of generating all the funds, including those included in Note 2 to the accounts, for the year were:

	2019 £'000	2018 £'000
Costs of charity fundraising		
Fundraising events	252	199
Marketing	1,238	247
Fundraising services	273	1,191
General fundraising	1,099	1,001
	2,862	2,638

5. Investment income and fees

	2019 £'000	2018 £'000
Income		
Fixed asset investments	337	262
Interest on deposit accounts	67	51
	404	313
Costs		
Investment management costs	33	64
	33	64

The income and costs outlined above have been recognised in the Statement of Financial Activity in year. The fixed asset investment is held as a long-term investment. Its market value at the end of the accounting period is shown in the Balance Sheet, and the unrealised loss for the financial year has also been included on the Statement of Financial Activity. All of the group's investment income is held in the UK.

NOTES TO THE FINANCIAL STATEMENTS

6. Charitable activities

	Aircraft & Airbase Costs £'000	Patient Welfare & Support £'000	2019 Total £'000	2018 Total £'000
Aircraft running costs	3,640	-	3,640	3,699
Aircraft and airbase equipment	64	-	64	63
Airbase running costs	193	-	193	212
Depreciation	768	-	768	374
Paramedic and clinical staff costs	-	1,152	1,152	753
Medical supplies and PPE	-	40	40	41
General Expenditure	-	29	29	26
Tasking costs	-	106	106	128
Support costs	534	152	686	599
Governance	49	13	62	54
Total	5,248	1,492	6,740	5,949

Expenditure on charitable activities was £6,740,000 (2018: £5,949,000) of which £6,636,000 was unrestricted (2018: £5,945,000) and £104,000 was restricted (2018: £4,000).

7. Analysis of governance and support costs

The Charity monitors expenditure on administration costs during the year against a KPI (Key Performance Indicator) set by the board. At the year-end costs of the governance function are identified and are apportioned over the charitable activities. The basis of apportionment and the analysis of these costs are set out below.

	Aircraft & Airbase Costs £'000	Patient Welfare & Support £'000	2019 Total £'000	2018 Total £'000	Basis of Allocation
Governance	49	13	62	54	Time spent on Board matters Proportional to spend
Business Support	534	152	686	593	
Total	583	165	748	647	

8. Net income/(expenditure) for the year

This is stated after charging:	2019 £'000	2018 £'000
Operating leases	2,966	3,082
Depreciation	864	522
Audit fees	16	15



NOTES TO THE FINANCIAL STATEMENTS

9. Consolidated Statement of Financial Activities 2018

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2018 £'000
Income:				
Donations and legacies	12,616	-	1,191	13,807
<i>Income from charitable activities:</i>				
Hospital transfers	8	-	-	8
<i>Income from other trading activities:</i>				
Trading activities	391	-	-	391
Fundraising events	234	-	-	234
Investment income	313	-	-	313
Other income	17	-	-	17
Total income	13,579	-	1,191	14,770
Expenditure				
<i>Costs of raising funds</i>				
Trading activities	414	-	-	414
Fundraising activities and events	2,635	-	3	2,638
Investment management costs	64	-	-	64
<i>Expenditure on charitable activities</i>				
Aircraft and base costs	4,881	-	3	4,884
Patient care and support	1,064	-	1	1,065
Total expenditure	9,058	-	7	9,065
Net gain/(loss) on investments	70	-	-	70
Net income/(expenditure) and net movement in funds for the year	4,591	-	1,184	5,775
Movement between funds	(763)	2,129	(1,366)	-
Net Movement in funds	3,828	2,129	(182)	5,775
Reconciliation of funds				
Total funds brought forward	13,600	10,225	375	24,200
Total funds carried forward	17,428	12,354	193	29,975



NOTES TO THE FINANCIAL STATEMENTS

10. Analysis of staff costs, and the cost of key management personnel

	2019	2018
	£'000	£'000
Salaries and wages	1,164	1,030
Social security costs	109	100
Employers costs of defined contribution pension scheme	32	25
Employers costs of defined benefit pension scheme	29	30
	1,334	1,185

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds. There are six members of staff who are members of the NHS Pension scheme, which is a defined benefit scheme. Contribution rates are set by the pension scheme. It is not possible to identify the charity's share of the underlying assets or liabilities within the scheme.

The charity offers all other employees the opportunity to join a defined contribution pension scheme. From March 2016 staff are auto-enrolled, but each individual can subsequently choose to opt out, in accordance with the legislation. The charity matches employee contributions to a maximum level which has been set and reviewed by the Trustees. In addition, the charity maintains death in service insurance cover for staff.

The number of employees receiving benefits in excess of £60,000 for the period was as follows:

	2019	2018
	£'000	£'000
£60,000 to £70,000	1	1
£80,000 to £90,000	-	1
£100,000 to £110,000	-	1
£110,000 to £120,000	1	-
	2	3

Contributions made in year to pension schemes for higher paid employees amounted to £18,320 (2018: £24,950).

The key management personnel comprise the trustees, the Chief Executive Officer, Fundraising and Marketing Director, Finance Director and Business Manager. The total employee benefits of the key management personnel for the year were £385,150 (2018: £383,464).

The holiday year-end is coterminous with the financial year-end and staff members are not able to carry forward unused holiday allowances from year to year, except in exceptional circumstances. There were no such circumstances at 31 March 2019 or 31 March 2018, so no provision has been made in the accounts for unused holiday.



NOTES TO THE FINANCIAL STATEMENTS

11. Trustee remuneration and expenses

The charity trustees were not paid or received any benefits from employment with the charity or its subsidiary in the year (2018: £nil). Expenses amounting to £1,215 (2018: £969) were reimbursed to 4 (2018: 3) trustees during the year. The expenses were for travel to meetings. No charity trustees received payment for professional or other services supplied to the charity (2018: £nil).

The charity holds trustees and directors Indemnity insurance cover of £1,000,000 (2018: £1,000,000), but the cost is not separable from the total cost of insurance.

12. Staff numbers

The average monthly numbers of employees (including casual and part-time staff) during the year were as follows:

	2019 Number	2018 Number
Fundraising	21	19
Administration and HR	8	7
Finance	5	4
Trading	8	8
Average head count	42	38

13. Tangible fixed assets

Consolidated

	Aircraft £'000	Land & Buildings £'000	Equipment & Fittings £'000	Computers £'000	Vehicles £'000	Work in Progress £'000	Total £'000
Cost:							
As at 1 April 2018	10,938	735	675	36	320	134	12,838
Additions	-	-	51	7	-	41	99
Reclassification	-	57	78	4	-	(139)	-
As at 31 March 2019	10,938	792	804	47	320	36	12,937
Depreciation:							
As at 1 April 2018	998	649	217	19	117	-	2,000
Charge for the year	544	52	148	14	106	-	864
Reclassification	-	-	(2)	2	-	-	-
As at 31 March 2019	1,542	701	363	35	223	-	2,864
Net Book Value							
At 1 April 2018	9,940	86	458	17	203	134	10,838
At 31 March 2019	9,396	91	441	12	97	36	10,073

NOTES TO THE FINANCIAL STATEMENTS

13. Tangible fixed assets continued

Charity

	Aircraft £'000	Land & Buildings £'000	Equipment & Fittings £'000	Computers £'000	Vehicles £'000	Work In Progress £'000	Total £'000
Cost:							
As at 1 April 2018	10,938	735	611	35	320	134	12,773
Additions	-	-	51	7	-	41	99
Reclassification	-	57	82	-	-	(139)	-
As at 31 March 2019	10,938	792	744	42	320	36	12,872
Depreciation:							
As at 1 April 2018	998	649	187	19	117	-	1,970
Charge for the year	544	52	139	13	106	-	854
As at 31 March 2019	1,542	701	326	32	223	-	2,824
Net Book Value							
At 1 April 2018	9,940	86	424	16	203	134	10,803
At 31 March 2019	9,396	91	418	10	97	36	10,048

14. Intangible assets

Consolidated

	Software £'000	Total £'000
Cost:		
As at 1 April 2018 and 31 March 2019	31	31
Amortisation:		
As at 1 April 2018	15	15
Charge for the year	5	5
As at 31 March 2019	20	20
Net Book Value		
At 1 April 2018	16	16
At 31 March 2019	11	11

NOTES TO THE FINANCIAL STATEMENTS

14. Intangible assets continued

Charity

	Software £'000	Total £'000
Cost:		
As at 1 April 2018 and 31 March 2019	26	26
Amortisation:		
As at 1 April 2018	11	11
Charge for the year	4	4
As at 31 March 2019	15	15
Net Book Value		
At 1 April 2018	15	15
At 31 March 2019	11	11

15. Investments

The Charity's investment policy is outlined within the Trustees report, and is reviewed annually. The investments held at year-end were:

	2019 £'000	2018 £'000
Market value at 1 April	8,781	8,513
Acquisitions at cost	2,500	-
Income on investments reinvested	337	262
Less investment management costs	(33)	(64)
Net gain on revaluation	107	70
Market value at 31 March	11,692	8,781
Historical cost at period end	10,390	7,594
Increase in the value of investments	2,911	268

NOTES TO THE FINANCIAL STATEMENTS

15. Investments continued

In addition to the above managed investment the Charity holds the following investment in subsidiary undertakings.

	2019 £	2018 £
Midlands Air Ambulance Trading Limited	1	1

The investment represents a 100% holding of the issued share capital of Midlands Air Ambulance Trading Limited, a subsidiary undertaking which was incorporated on 17 October 2012 and commenced to trade on 7 December 2012.

16. Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	14	6	11	6
Prepayments	384	320	358	308
Accrued income	1,217	793	1,217	786
Amount due from subsidiary	-	-	143	172
VAT recoverable	109	77	102	75
Other debtors	11	11	2	2
	1,735	1,207	1,833	1,349

Amounts due to the charity from the subsidiary include an agreed loan, which at 31st March 2019 showed amounts due within one year £nil (2018: £28,846) and amounts due in more than one year of £46,228 (2018: £44,450).

17. Creditors: amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	378	651	346	649
Accruals	163	172	150	148
Other creditors	19	10	9	10
Taxation and social security costs	27	26	27	26
	587	859	532	833

NOTES TO THE FINANCIAL STATEMENTS

18. Commitments under operating leases

At 31st March group companies had commitments under operating leases set out below. In accordance with FRS 102 these are stated at the minimum lease payments.

	Land & Buildings £'000	Helicopters £'000	2019 £'000	2018 Restated £'000
Within one year	76	2,902	2,978	2,933
Within two to five years	126	-	126	2,925
More than five years	-	-	-	-
	202	2,902	3,104	5,858

19. Reserves

Consolidated

	Opening Balance £'000	Incoming Resources £'000	Outgoing Resources £'000	Gains & Losses £'000	Transfers £'000	Closing Balance £'000
Restricted reserves						
County Air Ambulance Trust	168	314	(348)	-	-	134
Air Ambulance Association	26	-	(26)	-	-	-
Solvay Business Services	-	5	(5)	-	-	-
The Hospital Saturday Fund	-	4	-	-	-	4
	194	323	(378)	-	-	138
Designated reserves						
Fixed asset fund	10,854	-	-	-	(770)	10,084
Aircraft development	1,500	-	-	-	-	1,500
Project fund	-	-	-	-	97	97
	12,354	-	-	-	(673)	11,681
General reserves						
Expenditure protection	7,500	-	-	-	2,635	10,135
Development plan	1,500	-	-	-	-	1,500
General reserve	8,427	15,055	(9,643)	-	(1,962)	11,878
	17,427	15,055	(9,643)	-	673	23,513
Total reserves	29,975	15,378	(10,021)	-	-	35,332



NOTES TO THE FINANCIAL STATEMENTS

19. Reserves continued

Charity

	Opening Balance £'000	Incoming Resources £'000	Outgoing Resources £'000	Gains & Losses £'000	Transfers £'000	Closing Balance £'000
Restricted reserves						
County Air Ambulance Trust	168	314	(348)	-	-	134
Air Ambulance Association	26	-	(25)	-	-	-
Solvay Business Services	-	5	(5)	-	-	-
The Hospital Saturday Fund	-	4	-	-	-	4
	194	323	(378)	-	-	138
Designated reserves						
Fixed asset fund	10,817	-	-	-	(758)	10,059
Aircraft development	1,500	-	-	-	-	1,500
Project fund	-	-	-	-	97	97
	12,317	-	-	-	(661)	11,656
General reserves						
Expenditure protection	7,500	-	-	-	2,635	10,135
Development plan	1,500	-	-	-	-	1,500
General reserve	8,528	14,633	(9,257)	-	(1,973)	11,931
	17,528	14,633	(9,257)	-	661	23,566
Total reserves	30,039	14,956	(9,635)	-	-	35,360

Restricted funds

The charity is grateful for the support of the following organisations for their support for the purchase or development of important projects:

Grant Fund	Purpose
County Air Ambulance Trust	Crew uniforms and protective equipment, hangar adaptations, critical care car purchase.
Air Ambulance Association	Schools programme and clinical website.
Solvay Business Services	Running costs of critical care car.
The Hospital Saturday Fund	Equipment purchase to facilitate CPR training to public.

All the funds are restricted to the purpose they were given for, and where costs have been capitalised the balance is transferred to general reserves once the grant has been spent.

Designated funds

The fixed asset fund is set aside to cover the cost of fixed assets used for charitable purposes as they are depreciated over their useful economic life.

Trustees have set aside funds for the development of our owned aircraft G-OMAA, and G-RMAA in order to ensure these aircraft remain fit for purpose throughout their life. Expenditure in this regard is not time limited.



NOTES TO THE FINANCIAL STATEMENTS

20. Analysis of net asset by fund

	Restricted Funds £'000	Designated Funds £'000	General Funds £'000	2019 Total £'000	2018 Total £'000
Fixed assets	-	10,084	-	10,084	10,854
Investments	-	1,500	10,192	11,692	8,781
Cash at bank and in hand	138	97	12,143	12,378	9,970
Other net current assets	-	-	1,178	1,178	370
Total	138	11,681	23,513	35,332	29,975

21. Other financial commitments

There are no other financial commitments.

22. Financial instruments

	2019 £'000	2018 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	24,071	18,751
Financial assets that are debt instruments measured at amortised cost	25	17
	24,096	18,768
Financial liabilities		
Financial liabilities measured at amortised cost	586	938
	586	938

Financial assets measured at fair value through profit or loss comprise of investments, cash at bank and in hand, and short term deposits.

Financial assets measured at amortised cost comprise trade debtors, and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, and other creditors.

23. Related party transactions

No trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the period.

During the period none of the trustees, or members of the key management staff, or parties related to them, has undertaken any material transactions with any related parties.

Advantage has been taken of the FRS 102 exemption for disclosure of inter group transactions with wholly owned subsidiaries.



NOTES TO THE FINANCIAL STATEMENTS

24. Events after the end of the reporting period

There are no events after the end of the reporting period that meet the criteria for reporting.