



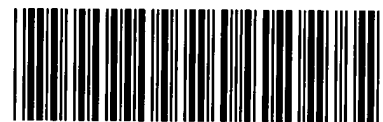
MIDLANDS AIR AMBULANCE CHARITY
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2020

Charity Number 1143118

Company Number 07683841



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CHAIRMAN'S REPORT



I would like to thank every member of our Board of Trustees for their commitment, guidance and support throughout the 2019/20 financial year. During the year we said farewell to trustees Robin Richmond, Ian Graves and Tim Rice and on behalf of the Charity I would like to thank them for their considerable contribution. Meanwhile, we welcome four new trustees each of whom brings with them a wealth of experience and professional knowledge. Our new trustees are Kate Bailey, Robert Douglas, Gareth Dellenty and Keith Marriott.

It has been a great privilege to chair the Board since 2018 and I am delighted to report that over the past twelve months we have seen our busiest year with regard to the number of missions completed. During 2019/20, our team of advanced clinical care doctors and critical care paramedics attended 4,781 incidents. This represents an uplift of 28% on the previous financial year. Our three helicopters, our Rapid Response Vehicles and our two Critical Care Cars stationed in Birmingham and Worcester have delivered pre-hospital medical care wherever required, across our operating area. We are seeing an increase in demand for our services across the region and we expect demand to continue to rise.

In order to strengthen our organisation and safeguard it for the future we developed a number of strategic priorities for the year 2019/20. These included (i) developing our clinical and operational service; (ii) enhancing stakeholder relationships; (iii) ensuring business sustainability; (iv) continuing to play a leadership role nationally and, critically, (v) focusing on the needs of our people – staff, volunteers and supporters.

We are proud to be continuing to pursue the development of emergency pre-hospital care, despite the increasing complexities facing our core purpose. The nature of the incidents we respond to is ever evolving. The number of stabbings, out of hospital cardiac arrests and falls has risen significantly during the period. In fact, our health partner, West Midlands Ambulance Service NHS Foundation Trust, has forecast increased demand of 4% year on year for the next 5 years. It is therefore absolutely crucial we have at our disposal the finance, expertise and equipment to meet this rising demand.

As a forward-thinking rapid response emergency medical service, developing clinical training is very much part of our approach. During 2019/20 we have been exploring investment options to support the future development of clinical delivery. As I write, plans are being developed to enable The Midlands Air Ambulance Charity to become a centre of clinical excellence for the air ambulance community.

Support for the charity remains strong, but this is not something we can afford to take for granted. It is imperative we continue to remain in the hearts and minds of the wonderful communities we serve; to ensure that we deserve the support they so kindly give us and repay their trust by continuing to enhance our service.

Roger Pemberton
Chairman of the Board of Trustees



CHIEF EXECUTIVE'S REPORT



Thank you to our esteemed Chairman, and to our Board of Trustees for your support and direction throughout the last year. I am proud to lead the strategic and operational work of the charity, with the guidance of our Board, ensuring we deliver our mission and vision, focusing on saving lives and improving patient outcomes not only today, but into the future.

This report outlines the milestones we have achieved during the 2019/20 financial year as we continue to develop our robust pre-hospital emergency service. In line with our mission and vision, all our activities are underpinned by our five values; respectful, receptive, relevant, recognition and responsible. Throughout the year we instigated a number of developmental advances. Our clinical team has focused on practitioner training, with all paramedics now at Critical Care Paramedic standard, and the pre-hospital emergency medicine (PHEM) specialism offered to doctors, refining their advanced skillset for the benefit of the patient. Alongside this, in the community, we provided hundreds of CPR and Bleed Control training sessions to young people as part of our SkyChamps Programme.

Operationally, as part of our commitment to investing in the future of our service, we have added a second critical care car to our fleet. The Worcester-based rapid response vehicle, like its Birmingham and Black Country counterpart, operates 12 hours daily and is manned by a highly experienced Critical Care Paramedic. To note, clinical decision making was delivered by the Critical Care Paramedic in 68% of the incidents attended via our cars, demonstrating the advanced clinical care brought to the scene.

Within the charity, I am delighted to report we achieved a Governance Framework accreditation, in recognition of our commitment to excellent governance across all areas of the organisation. This certification came as welcome news to us and our supporters and stakeholders, who continue to be safe in the knowledge we are a conscientious and transparent charity.

As the financial year came to a close, we became even more resilient. The unprecedented coronavirus pandemic hit along with a fall in the value of our investment portfolio and like many nations, the UK went into lockdown. We adhered to Government advice, temporarily closing our charity shops and postponing all community-based fundraising such as events and group meetings. We worked swiftly to refine and diversify our income streams and ways of engaging with our audiences, to enable us to protect our service.

Now more than ever, our commitment to our long-term strategic goals, and futureproofing our cause and service is at the forefront of our agenda, while taking into account several demanding external factors and the economic and political landscape.

As we entered the 2020/21 financial year, we remained resilient, and focused on our core purpose, which will not falter – to deliver rapid pre-hospital patient care to the communities we serve across the Midlands. We will remain committed to providing advanced clinical capabilities to improve the outcomes of those in a critical condition whether a result of trauma or medical condition. For the ten patients on average that we treat every single day, this will come as welcome reassurance.

Hanna Sebright
Chief Executive



SURVIVOR STORY



The Midlands Air Ambulance Charity attends many incidents which involve collaboration – working closely with emergency services colleagues to better patient outcomes. This approach was something Peter Stanton, a West Midlands resident, was very grateful for in March 2019 . . .

72-year-old Peter was at home in Stourbridge, preparing his 3.5 tonne motorhome for its annual MOT in spring 2019. The motorhome had been covered up on Peter's steep driveway and blocks placed under it to keep it in place throughout the winter months.

Peter lowered the motorhome onto the drive and started working on the front end. Seconds later, the blocks holding the front of the motorhome collapsed, and the huge vehicle knocked Peter over and rolled onto him.

His face and hands were painfully grazed along the tarmac due to the pressure, and Peter was rolled into a ball, trapped underneath.

"A young man was walking past as it happened," recalls Peter, "but he panicked. I tried to talk to him, to ask him to put the blocks back, but I could barely speak due to the pressure on my chest."

The young man managed to make the call to emergency services, and initially Stourbridge Fire Service attended the scene. On arrival, they knew Peter needed urgent medical assistance, and called West Midlands Ambulance Service. Along with a land crew and WMAS's hazardous area response team, MAAC's critical care paramedic (CCP) Ian Lock went to the scene in the charity's Critical Care Car.

Ian led the team of emergency services in helping Peter out from underneath the motorhome. While he took charge on scene, the Midlands Air Ambulance helicopter from RAF Cosford was dispatched. Pilot, Capt. Tim Jones, CCP Karen Baker and Dr Alex James, were at the scene in seven minutes.

"Apparently, I was talking to the fire service, but I have no recollection of this at all. The next thing I remember is being in a land ambulance listening to the aircrew and paramedics discussing where to take me."

The advanced medical crew did a full assessment on Peter to be sure he was safe to travel and escorted him in the land ambulance to Queen Elizabeth Hospital (QE), to monitor his condition in case of deterioration.



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On arrival at the QE in Birmingham, Peter was treated for a collapsed lung, and fluid in his lung cavity. He also had an injured spine from the pressure of the motorhome, and all his ribs were fractured – some even had multiple fractures. Nurses at the QE commented to Peter that his rib injuries were some of the worst they had ever seen.

"I was kept in critical care for a week, moved to intensive care for another week, and then finally sent home. My brother visited me on the day of the accident, and I had many friends come to see me in the two weeks that followed – I have had such wonderful support from everyone."

Since the incident, Peter has tried to stay active, but now finds he is worn out quickly, "I've had cancer before, but I feel like this was more life changing for me - I'm definitely lucky to be alive."

Peter met some of the aircrew at Bike4Life 2019, and recalls the moment, "It was so lovely to meet some of the Critical Care Paramedics. Midlands Air Ambulance Charity is a wonderful organisation – I feel so grateful to everyone involved."

And as for the motorhome? *"I'm still hoping to travel in it this summer," laughs Peter, "nothing will pull me away from my passion!"*

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 by:

Visiting us online - <http://www.midlandsairambulance.com>

Emailing us - info@midlandsairambulance.com



REPORT OF THE TRUSTEES For the year ended 31 March 2020

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 2020 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).

The charity operates three Helicopter Emergency Medical Services (HEMS) aircraft based at strategic locations across the six counties we serve - 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, whether that be a road traffic accident; an individual who has had a heart-attack or fall at home; or trauma incident in an isolated rural area. Essentially, we are here to provide patient care for occasions where advance pre-hospital clinical skills need to be delivered rapidly.

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, providing 100% Doctor led cover from two of our airbases and our critical care paramedics are highly skilled and well-trained professionals in pre-hospital emergency medicine.

During the financial year we introduced a second 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 cars operate in and around Birmingham, the Black Country and Worcestershire, which are cardiac arrest hotspot areas and focus on attending to patients suffering cardiac arrest, stroke or sepsis and have increased our capacity levels by 69%.

We work in partnership with West Midlands Ambulance Service NHS Foundation Trust (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, our aviation partner, Babcock International Group PLC, provide our Aircraft Operators Certification (AOC) 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 section.

MIDLANDS AIR AMBULANCE CHARITY



REPORT OF THE TRUSTEES For the year ended 31 March 2020

How our activities deliver public benefit

Our charitable activities focus on providing life-saving pre-hospital emergency medicine across our operating region, 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 cars, along with specialist medical equipment. The charity's clinicians bring hospital-level procedures and medicines to the patient at the scene of the incident. These include sedative techniques and anaesthesia, plus interventions such as amputation and intubation when required, which enables the doctors and critical care paramedics to take over a patient's breathing to help stabilise their condition, giving them the best possible chance of survival and recovery.

Achievements and performance

Midlands Air Ambulance Charity (MAAC) has been in operation since 1991, and we have now responded to over 58,000 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 and we have seen year-on-year growth of our helicopter-led pre-hospital service. Please refer to the Group Strategic Report section of this document to find performance data relating to our air operations and critical care car missions.

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 2019/2020 business plan, and performance against these, is noted as follows:

Objectives	Performance
Procure and implement a second Cardiac Arrest Car + Supporting equipment	<ul style="list-style-type: none">Launched into service in September 2019. Operating in and around Worcestershire area from our Strensham base.
Recruit additional doctors to optimise patient care and ensure our north area has adequate cover and develop a more resilient contractual process.	<ul style="list-style-type: none">Cosford Airbase - 100% Doctor Cover operating out of achieved.Strensham Airbase - Doctors recruited from Worcester and Hereford Hospitals, undergoing training across HEMS platforms in readiness to operate during 2020/21.
To ensure the retail/trading arm of the group Midlands Air Ambulance Trading Limited (MAATL) develops a strategic plan to ensure the portfolio continues to add value to the overall MAAC brand and income.	<ul style="list-style-type: none">MAATL Strategic plan complete and being implemented. Retail shops delivered a surplus for first time in the year ended March 2020.Opportunities to maximise income for the charity's lifesaving operations are being undertaken in-store and via online sales platforms.



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<p>To Develop a three-year Fundraising strategy and plans for (a) community and (b) corporate to support current and future fundraising, taking into consideration two future major milestones – (a) the charity's 30th anniversary in 2021 and (b) our new home (ABHQ)</p> <p>Brand review programme – to evaluate the current brand positioning and establish future potential, working with key stakeholders and the Fundraising Sub Committee</p>	<ul style="list-style-type: none"> • A rolling three-year strategy has been developed in-house, following extensive consultation with the MAAC family (staff, trustees and volunteers), alongside a programme of external engagement. • The strategy is established on an incremental basis, whereby it will be updated annually. The following five strategic areas are highlighted: <ul style="list-style-type: none"> - <i>Future proofing</i> – the charity's operations and supporter base - <i>Enhancing local networks</i> - to build on regional loyalty - <i>Evolving + amplifying the charity brand</i> - showcasing the impact of the service (a result of the brand review work reference in the left column) - <i>Enhancing knowledge management system</i> – to undertake proactive donor stewardship - <i>Adding value</i> – creating meaningful and long-term relationships. • Year one activity (FY2020/21) focuses on Air 30, which will reflect on past achievements, whilst also looking forward to the next 30 years.
<p>To develop MAAC Corporate and Social Responsibility programme to include "Giving Back" in the community, Implementation of Volunteer Plan whilst diversifying current volunteer base and skills. To review and revise our Values.</p>	<ul style="list-style-type: none"> • The charity has significantly increased its community outreach programme during the 2019/20 period implementing a programme called 'Mission Support', which has offered CPR skills and bleed control training and kits within the community, volunteers' groups, corporate partners and to education, as part of its SkyChamps initiative. • Working with staff values have been revised – please refer to the Group Strategic report section within this document. • The volunteer plan has been implemented - recruitment and retention remain key focus.

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



REPORT OF THE TRUSTEES
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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;
- frequency in which trustee/director meetings are held, and how they are conducted;
- 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 objectives 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 and widely cross industry networks.



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For the year ended 31 March 2020

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 four new trustees were appointed to the Board enhancing the breadth of skills and experience of trustees. Skill sets include, legal, commercial, financial, IT and governance.

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
- governance training
- meetings with key stakeholders
- meetings with the senior leadership team and operational managers
- site visits across all areas – charity, clinical and retail operations

Trustee indemnity insurance

The charity holds trustees and director's indemnity insurance cover of £1,000,000 (2019: £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) (2019) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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



REPORT OF THE TRUSTEES
For the year ended 31 March 2020

Trustees' responsibilities in relation to the financial statements continued

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 obliged to take 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.

MIDLANDS AIR AMBULANCE CHARITY



REPORT OF THE TRUSTEES For the year ended 31 March 2020

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 R Fulton	Charity Board, Audit & Risk Committee, HR & Remuneration Committee		
Mr I Graves	Charity Board, HR & Remuneration Committee		Resigned 30/11/2019
Mr A Lennox	Charity Board, Audit & Risk Committee		
Mr R Pemberton	Charity Board (Chair)		
Mr T Rice	Charity Board, Fundraising Committee		Resigned 13/01/2020
Mr R Richmond	Charity Board, Audit & Risk Committee		Resigned 30/09/2019
Mr N Whale	Charity Board, Fundraising Committee		
Mr W Saleem	Charity Board, Fundraising Committee		
Dr J James	Charity Board, HR and Remuneration Committee		Resigned 03/05/2019
Mr T Sehgal	Trading Board (Chair)		
Mr L Bagnall	Trading Board		
Ms H Sebright	Trading Board		
Mr R Douglas	Charity Board, Audit & Risk Committee	Appointed 12/11/2019	
Ms K Bailey	Charity Board, HR & Remuneration Committee	Appointed 08/07/2019	
Mr G Dellenty	Charity Board, HR & Remuneration Committee	Appointed 30/01/2020	
Mr E Marriott	Charity Board, Trading Board, Fundraising Committee	Appointed 30/01/2020	

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.



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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 for which the Board of Trustees is responsible. 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 leadership 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 leadership 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 leadership team comprises:

Title	Name
Chief Executive Officer	Hanna Sebright
Fundraising & Marketing Director	Emma Gray
Finance Director	Karen Kingham
Air Operations Manager	Ian Roberts (WMAS)



REPORT OF THE TRUSTEES For the year ended 31 March 2020

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.

The Charity has invested in a new customer relationship management (CRM) system to improve quality of information that the organisation retains, alongside enhancing our contact capabilities and stewardship with donors and supporters.

The charitable group work hard to ensure that it remains compliant with the General Data Protection Regulation (GDPR). To achieve this, 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 7.3% 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 medical equipment.

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 for the FY 2019-20 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	11.5
Lottery	Weekly lottery draw, £1 per play	36.2
In memoriam and legacies	Gifts in wills and donations in memory of a loved one	36.9
Corporate partners	Donations and sponsorship from regional companies	3.3
Grants	Restricted and unrestricted amounts received from grant making trusts and other bodies	4.4
Charity shops	Income from sale of donated goods through our regional charity shops	3.0
Other	Other income	4.7
Total		100



REPORT OF THE TRUSTEES
For the year ended 31 March 2020

The Impact of COVID-19

The coronavirus (COVID-19) pandemic presented an unprecedented challenge across the country, impacting MAAC during March 2020, the last month of our financial year. Our focus during this time was to manage our response to the situation which required radical change to our systems and to staff activity, including staff health and wellbeing across the organisation.

All of our external events were cancelled, our shops were closed immediately and all person to person community engagement activity was suspended, including lottery canvassing. A number of our Doctors and Critical Care Paramedics were recalled from their core Helicopter Emergency Medical Services (HEMS) led activity, to the NHS, to support front line COVID-19 related duties. In spite of the intense pressure of the situation, throughout the period of lockdown, our operational (charity) staff have continued to work incredibly hard showing loyalty and commitment and extending friendship and support to our key stakeholder groups, including our Volunteers.

Whilst our strategic work has continued, the main implication for the financial year ending 2019/20, has been in relation to the closure of Midlands Air Ambulance Trading Ltd.'s retail function and the charity's investments where the value has fallen. It is estimated that for 2020-2021 the impact of COVID-19 is in the order of £4m, £1.3m of this being the fall in investment values. Both the Charity and Trading Company have taken advantage of the furlough scheme and retail grants.

In line with Government guidance, the trading company began the process of reopening shops on a phased return basis from mid-June. This approach has enabled us to monitor income, staffing and volunteer levels.

A number of additional extraordinary Board and Committee Meetings have been held throughout this period when the Senior Leadership Team (SLT) and Trustees discussed the longer-term impact of COVID-19. Actions to mitigate risk have been taken by the SLT, such as regular updating of the risk register with a COVID-19 issue, monthly financial reviews and regular re forecasting of budgets. Fundraising activity has swiftly adapted, embracing the increasing use of technology and digitisation. The key to continual success is ensuring risks are managed and to continue to follow our values. This will be achieved by having an increased online presence, and the maximisation of all income opportunities.

It is encouraging to note that our investment value has returned to its value of that before COVID-19. Our income for the first quarter of 2020-2021, whilst down against that of 2019-2020, is slightly ahead of the reforecast budget. Both the charity and the trading company are using the situation to emerge as a stronger, more resilient entity to achieve our mission.

Reserves policy

The trustees have established a reserves policy which is reviewed annually by the Audit and Risk Committee and approved by the Board. The Policy is intended to ensure the charity can continue to accomplish its aims and to make certain that sufficient funds are held to fund capital projects, such as building enhancements, acquisition of a new helicopter or the purchase of rapid response vehicles.



REPORT OF THE TRUSTEES
For the year ended 31 March 2020

Reserves policy continued

At the year-end, total group reserves stood at £37,677,000 (2019: £35,332,000). Of this amount, £21,516,000 (2019: £21,776,000) can only be realised by disposing of tangible fixed assets and the investment portfolio, which leaves the free reserves of the Group at £16,161,000 (2019: £13,556,000).

Reserves are categorised into three main headings:

Restricted reserves are held where funds have been received by the charity for a specific purpose. These funds are ring-fenced and held in restricted reserves until the intended expenditure has been incurred. Restricted reserves at the end of the reporting period were £51,000 (2019: £138,000).

Designated reserves are allocated to fund projects and initiatives agreed by the trustees. Total designated reserves at the end of the financial year were £15,952,000 (2019: £11,681,000). In prudently planning for the future the trustees will endeavour to set aside designated funds to acquire assets and equipment to ensure that the charity continues to provide the most efficient and effective service possible.

General reserves are those reserves which are neither restricted nor designated. This type of reserve is held in part to provide a cash safety buffer. Should the charity's income fall, the reserve will enable us to maintain the core service we provide to our communities, whilst allowing sufficient time for us to develop alternative sources of funding or to revise planned expenditure. The level of general reserves held is calculated using a risk-based approach, which broadly equates to between twelve and eighteen months operating costs. In addition, as we are also committed to ensuring our services are available for future generations, general reserves are used for the accumulation of funds towards the costs of significant future developments and capital purchases. Total general reserves at the end of the reporting period were £21,674,000 (2019: £23,513,000), of which £10,135,000 (2019: £10,135,000) is set aside to cover future expenditure in the event that there is a fall in income, which equates to approximately twelve months total expenditure.

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 required.

MIDLANDS AIR AMBULANCE CHARITY



REPORT OF THE TRUSTEES For the year ended 31 March 2020

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

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.

MIDLANDS AIR AMBULANCE CHARITY



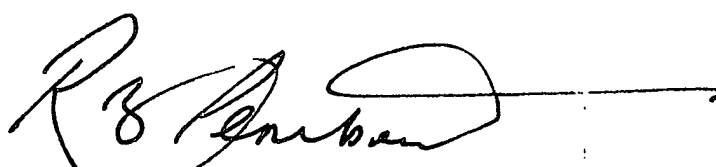
REPORT OF THE TRUSTEES For the year ended 31 March 2020

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 8th September 2020 and is signed on their behalf by


Roger Pemberton
Chairman



GROUP STRATEGIC REPORT
For the year ended 31 March 2020

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 held in December 2019.

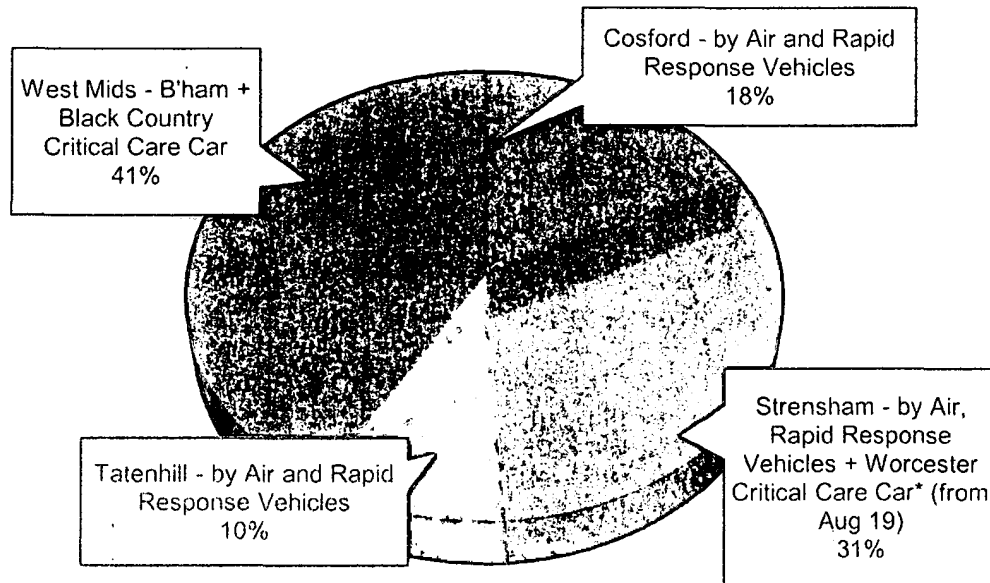
- **RECEPTIVE** – we define success as **continuous improvement** and aim for **excellence** in our life-saving services and community projects.
- **RESPECTFUL** – we are a community-based organisation with a '**one team**' culture that embraces and encourages **honesty**.
- **RESPONSIBLE** – we aim to create the best possible **future for everyone** and thrive to place **sustainability** at the heart of everything we do.
- **RELEVANT** – we are **open** to new ideas and ways of working across our clinical and charity operations, providing total **transparency** to all stakeholders.
- **RECOGNITION** – we **value our relationships** - with staff, supporters and the wider communities we serve - **working together** to achieve the best possible patient outcome.



GROUP STRATEGIC REPORT For the year ended 31 March 2020

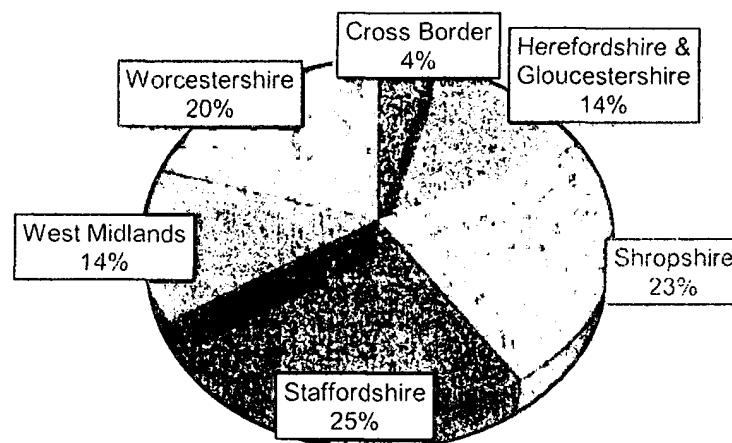
Analysis of clinical performance

During 2019/2020 the total missions undertaken by Midlands Air Ambulance by air and land was 4,781 - an increase of 28% compared to the previous year. Below is an overview of missions deployed per MAAC site:



Air operations missions

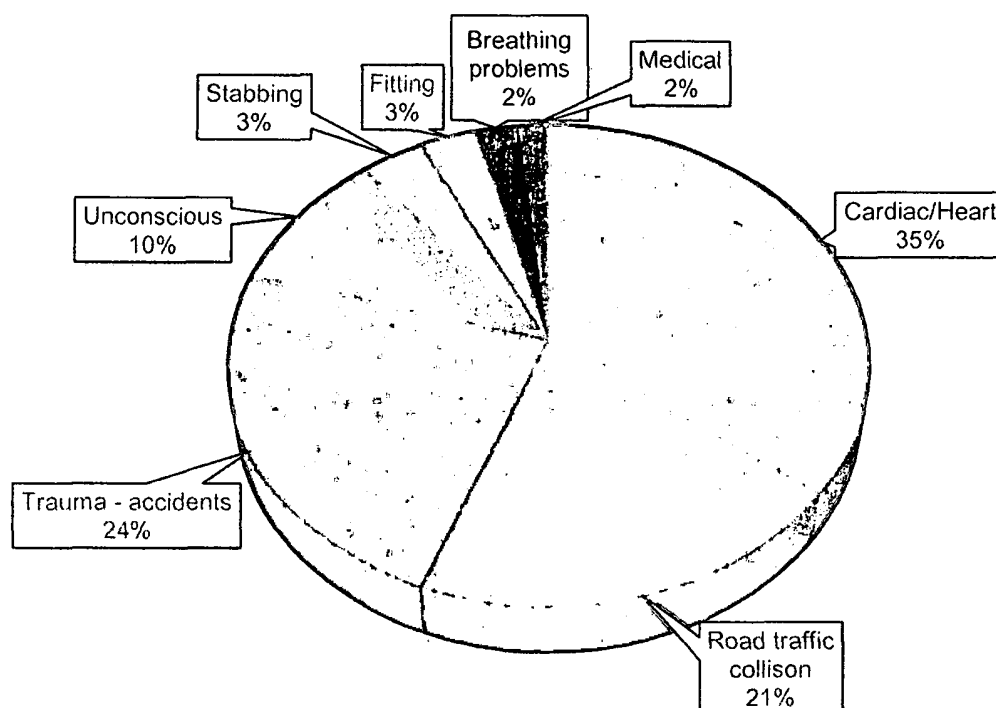
Across our three air bases, advance critical care clinicians attended 1,948 missions cross the six-county area:





GROUP STRATEGIC REPORT For the year ended 31 March 2020

The critical care paramedic and doctor-led service provided pre-hospital care for the following incident types:



Critical care cars operations

Following analysis of mission data, alongside wider medical intelligence, the charity's clinical expertise identified the need for specialist assistance with cardiac arrests, strokes and sepsis in urban areas across the region. MAAC's first critical care car (CCC) was implemented during the previous financial year and due to the positive impact of this new service, in August 2019 a second car was introduced to the Worcester region.

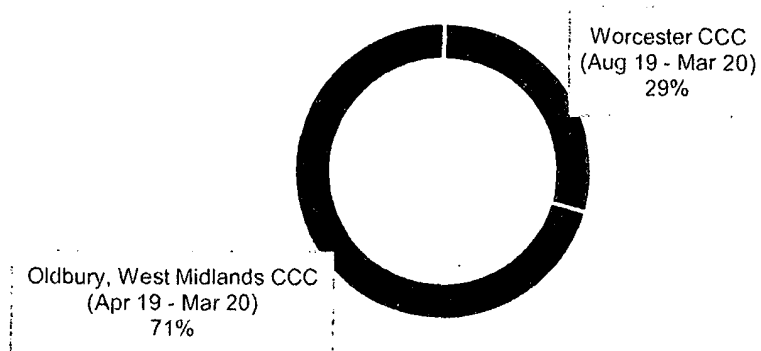
The two critical care cars, based in Birmingham and the Black Country and Worcestershire areas, have played a crucial role in enabling us to expand our capacity to reach and treat a greater number of patients. These platforms allow us to provide geographic cover in locations where access by helicopter may be restricted. The cars allow us to utilise our critical care skills to better serve specific communities, in particular when responding to medical emergencies such as cardiac arrests, as shown in the second chart on the following page.

MIDLANDS AIR AMBULANCE CHARITY

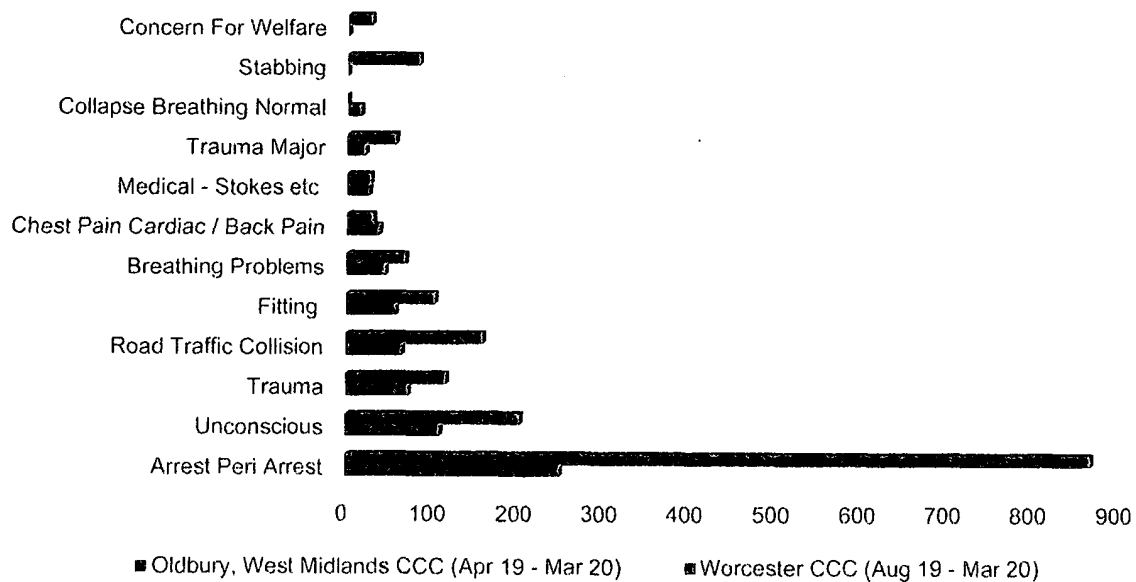


GROUP STRATEGIC REPORT For the year ended 31 March 2020

In total these two pre-hospital critical care services have been tasked with 2,833 missions:



The CCCs have been deployed to the following types of incidents:





GROUP STRATEGIC REPORT For the year ended 31 March 2020

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

We receive fantastic support from our community and many of our fundraising events are organised and run by volunteers. We also held a number of very successful fundraising events which 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 raising funds for the charity

For the FY 2019/20 the charity has significantly increased its community outreach programme implementing a programme called 'Mission Support', which has offered CPR skills and bleed control training and kits within the community, amongst volunteer groups, corporate partners and in schools, as part of its SkyChamps education initiative. For example, over the 12-months the charity engaged young people by interacting with more than 300 primary and secondary schools.

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.



GROUP STRATEGIC REPORT For the year ended 31 March 2020

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. For the FY 2019/20 period, alongside general fundraising, a number of strategic partnerships were created, supporting with income generation for the charity. Initiatives include ethical marketing partnerships of services and products. 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 successfully completed the Governance Framework assessment programme. In November 2019 we were awarded a kitemark in governance effectiveness, by the ICSA. The Governance Framework programme provides quality assurance that the right governance structures and processes are in place by examining standards-based practice.

In addition, we have reviewed and revised our organisational Values. The review was completed by our staff at a series of staff away days throughout 2019. Our staff recognised that as the charity has evolved over recent years so to have our values. When we interview for any new role, we test cultural fit, based on our revised values which are:

RECEPTIVE	We define success as continuous improvement and aim for excellence in our life-saving services and community projects.
RESPECTFUL	We are a community-based organisation with a ' one team ' culture that embraces and encourages honesty .
RESPONSIBLE	We aim to create the best possible future for everyone and strive to place sustainability at the heart of everything we do.
RELEVANT	We are open to new ideas and ways of working across our clinical and charity operations, providing total transparency to all stakeholders.
RECOGNITION	We value our relationships - with staff, supporters and the wider communities we serve - working together to achieve the best possible patient outcome.



GROUP STRATEGIC REPORT For the year ended 31 March 2020

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. The upcoming year's focus will continue to provide development for staff as well as the ongoing 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. WMAS predict that the number of medical incidents they receive via 999 calls 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 the 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 and COVID-19 will 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 2020

Principal risks

Risk management

The charitable group has in place a risk management policy, which is reviewed annually by the senior leadership 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 and as new risks emerge. It 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 policies and procedures Monitoring of media and 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 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 2020

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. The online environment will be a key channel for the financial year ahead - virtual networking, e-platforms and online campaigning will lead the way in connecting with communities. Opportunities for donations through contactless technology and virtual giving is important, as part of the charity's response to COVID-19 as we ease out of lockdown.

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



GROUP STRATEGIC REPORT
For the year ended 31 March 2020

reduce VAT liabilities where possible.

5) Future-proofing and amplifying the MAAC brand

As part of implementing the fundraising and marketing strategy we are focused on maintaining and developing our networks across the community and corporate landscape. We aim to proactively broaden our supporter base to reflect the diverse culture within the six counties that we serve. In 2021 the charity will be celebrating its 30th Birthday, which will provide an opportunity to reflect on past achievements, whilst also looking forward to the next 30 years and future aspirations.

Progress against these business plan objectives will be reported on within the 2020/2021 financial statements.

This report was approved by trustees on 8th September 2020 and is signed on their behalf by

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 31st March 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity 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 31st March 2020 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

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.

Opinion on other matter 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 Report of the Trustees which includes the 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 Strategic Report and the Directors' Report included within the Report of the Trustees 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 Strategic Report and the Report of the Trustees.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, 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.

MIDLANDS AIR AMBULANCE CHARITY



INDEPENDENT AUDITOR'S REPORT

To the members and trustees of Midlands Air Ambulance Charity

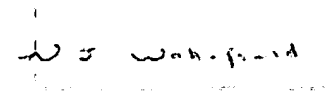
Auditor's responsibilities for the audit of the financial statements

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 charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.



Nicola Wakefield (Senior Statutory Auditor)
For and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

Date: 15 September 2020



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
including consolidated income and expenditure account
for year ending 31 March 2020

	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2020 £'000	Total funds 2019 £'000
Income:						
Donations and legacies	2	13,189	-	267	13,456	14,205
<i>Income from charitable activities:</i>						
Hospital transfers		5	-	-	5	11
<i>Income from other trading activities:</i>						
Trading activities	3	444	-	-	444	422
Fundraising events	4	187	-	-	187	226
Investment Income	5	494	-	-	494	404
Other Income		8	-	-	8	3
Total income		14,327	-	267	14,594	15,271
Expenditure						
<i>Costs of raising funds</i>						
Trading activities	3	438	-	-	438	386
Fundraising activities and events	4	2,950	-	24	2,974	2,862
Investment Management costs	5	25	-	-	25	33
<i>Expenditure on charitable activities</i>						
Aircraft and base costs	6	5,350	-	197	5,547	5,248
Patient care and support	6	1,762	-	133	1,895	1,492
Total expenditure		10,525	-	354	10,879	10,021
Net (Loss)/Gain on investments	15	(1,370)	-	-	(1,370)	107
Net income/(expenditure)		2,432	-	(87)	2,345	5,357
Transfers between funds		(4,296)	4,296	-	-	-
Net Movement in Funds		(1,864)	4,296	(87)	2,345	5,357
Reconciliation of funds						
Total funds brought forward		23,538	11,656	138	35,332	29,975
Total funds carried forward		21,674	15,952	51	37,677	35,332

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 2019 is included in Note 9.

MIDLANDS AIR AMBULANCE CHARITY



CONSOLIDATED AND CHARITY BALANCE SHEETS as at 31 March 2020

	Note	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fixed assets:					
Tangible assets	13	9,311	10,073	9,289	10,048
Intangible assets	14	6	11	6	11
Investments	15	12,199	11,692	12,199	11,692
Total Fixed Assets		21,516	21,776	21,494	21,751
Current assets:					
Stock		36	30	-	-
Debtors	16	2,277	1,735	2,404	1,833
Short term deposits		10,494	7,363	10,494	7,363
Cash at bank and in hand		4,589	5,015	4,503	4,945
Total Current Assets		17,396	14,143	17,401	14,141
Liabilities:					
Creditors falling due within one year	17	1,235	587	1,196	532
Net Current Assets		16,161	13,556	16,205	13,609
Total Assets less Current Liabilities		37,677	35,332	37,699	35,360
Creditors: amounts falling due after more than one year					
		-	-	-	-
Net Assets		37,677	35,332	37,699	35,360
The reserves of the charity:					
Unrestricted reserves	19	21,674	23,513	21,696	23,566
Designated reserves	19	15,952	11,681	15,952	11,656
Restricted reserves	19	51	138	51	138
Total Charity Reserves		37,677	35,332	37,699	35,360

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 £2,339,000 (2019: £5,321,000).

The notes at pages 36 to 53 form part of these accounts.

The accounts were approved by Trustees on 8th September 2020 and are signed on their behalf by

Roger Pemberton, Chairman



CONSOLIDATED STATEMENT OF CASHFLOWS
for the year ending 31 March 2020

	Group 2020 £'000	Group 2019 £'000
Cash used in operating activities	4,161	4,941
Cash flows from investing activities		
Dividends and Interest from investments	95	67
Purchase of fixed assets	(51)	(99)
(Increase) in short term deposits	(3,131)	(28)
Purchase of investments	(1,500)	(2,500)
Cash (used in) investing activities	(4,587)	(2,560)
Cash used in financing activities	-	-
(Decrease)/Increase in cash and cash equivalents in the year	(426)	2,381
Cash and cash equivalents at the beginning of the year	5,015	2,634
Total cash and cash equivalents at the end of the year	4,589	5,015

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

	Group 2020 £'000	Group 2019 £'000
Net income/(expenditure) for the period	2,345	5,357
Depreciation and amortisation charges	815	869
Movement on investments	1,370	(107)
Dividends, and interest from investments	(469)	(371)
(Increase) in stocks	(6)	(8)
(Increase) in debtors	(542)	(527)
Increase/(Decrease) in creditors	648	(272)
Net cash in operating activities	4,161	4,941

ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2020 £'000	Group 2019 £'000
Cash in hand	4,589	5,015
Total cash and cash equivalents at the end of the year	4,589	5,015



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) (2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. There were no material changes as a result of transition to the Charity SORP 2019 from 1 April 2019.

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 loans.

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. After considering the potential future impact of COVID-19, the trustees consider that there are sufficient reserves to secure the future of the charity for at least the next 12 to 18 months from the date of signing the accounts.

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 before gains/losses on investments for 2020 was £3,709,000 (2019: £5,214,000). This is made up of Income £14,150,000 (2019: £14,849,000) and Expenditure £10,441,000 (2019: £9,635,000).

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 by 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 may have significant effect on the financial statements and estimates with the potential for a significant risk of material adjustment in the next year.

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

	2020	2019
	£'000	£'000
Donations	2,117	2,325
Lottery and regular giving	5,292	4,829
Legacies and in memorium	5,395	6,326
Grants	652	725
	13,456	14,205

Of the grant income received during the year £267,000 is restricted in its use (2019: £323,000). Further details of the grants received are set out in Note 19.

MIDLANDS AIR AMBULANCE CHARITY



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:

	2020	2019
	£'000	£'000
Statement of Comprehensive Income		
Turnover	444	422
Cost of sales	(26)	(30)
Gross profit	418	392
Administrative expenses	(412)	(356)
Operating profit/(loss)	6	36
Donation to Midlands Air Ambulance	-	-
Taxation	-	-
Retained profit/(loss)	6	36
	2020	2019
	£'000	£'000
Balance Sheet		
Fixed assets	22	25
Current assets	161	145
Current liabilities	(157)	(152)
Liabilities > 1 year	(48)	(46)
Total net liabilities	(22)	(28)
Share capital and reserves	(22)	(28)



NOTES TO THE FINANCIAL STATEMENTS

4. Fundraising events and activities

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

	2020	2019
	£'000	£'000
Income from events		
Charity managed events	187	226
	187	226

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

	2020	2019
	£'000	£'000
Costs of charity fundraising		
Fundraising events	207	252
Marketing	1,347	1,238
Fundraising services	284	273
General fundraising	1,136	1,099
	2,974	2,862

5. Investment income and fees

	2020	2019
	£'000	£'000
Income		
Fixed asset investments	399	337
Interest on deposit accounts	95	67
	494	404
Costs		
Investment management costs	25	33
	25	33

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.

MIDLANDS AIR AMBULANCE CHARITY



NOTES TO THE FINANCIAL STATEMENTS

6. Charitable activities

	Aircraft & Airbase Costs £'000	Patient Welfare & Support £'000	2020 Total £'000	2019 Total £'000
Aircraft running costs	3,743	-	3,743	3,640
Aircraft and airbase equipment	80	-	80	64
Airbase running costs	184	-	184	193
Depreciation	761	-	761	768
Paramedic and clinical staff costs	-	1,323	1,323	1,152
Medical supplies and PPE	-	204	204	40
General Expenditure	-	24	24	29
Tasking costs	-	78	78	106
Support costs	730	250	980	686
Governance	49	16	65	62
Total	5,547	1,895	7,442	6,740

Expenditure on charitable activities was £7,442,000 (2019: £6,740,000) of which £7,112,000 was unrestricted (2019: £6,636,000) and £354,000 was restricted (2019: £104,000).

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	2020 Total £'000	2019 Total £'000	Basis of Allocation
Governance	49	16	65	62	Time spent on Board matters
Business Support	730	250	980	686	Proportional to spend
Total	779	266	1,045	748	

8. Net income/(expenditure) for the year

This is stated after charging:	2020 £'000	2019 £'000
Operating leases	3,022	2,966
Depreciation of tangible fixed assets	815	864
Amortisation of intangible assets	5	5
Audit fees	13	13
Fees payable to the auditor for other services	1	1
Fees payable to the auditor for corporation tax compliance services	3	1

MIDLANDS AIR AMBULANCE CHARITY



NOTES TO THE FINANCIAL STATEMENTS

9. Consolidated Statement of Financial Activities 2019

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2019 £'000
Income:				
Donations and legacies	13,882	-	323	14,205
<i>Income from charitable activities:</i>				
Hospital transfers	11	-	-	11
<i>Income from other trading activities:</i>				
Trading activities	422	-	-	422
Fundraising events	226	-	-	226
Investment income	404	-	-	404
Other income	3	-	-	3
Total income	14,948	-	323	15,271
Expenditure				
<i>Costs of raising funds</i>				
Trading activities	386	-	-	386
Fundraising activities and events	2,862	-	-	2,862
Investment management costs	33	-	-	33
<i>Expenditure on charitable activities</i>				
Aircraft and base costs	4,907	-	341	5,248
Patient care and support	1,455	-	37	1,492
Total expenditure	9,643	-	378	10,021
Net gain/(loss) on investments	107	-	-	107
Net income/(expenditure) and net movement in funds for the year	5,412	-	(55)	5,357
Movement between funds	673	(673)	-	-
Net Movement in funds	6,085	(673)	(55)	5,357
Reconciliation of funds				
Total funds brought forward	17,428	12,354	193	29,975
Total funds carried forward	23,513	11,681	138	35,332



NOTES TO THE FINANCIAL STATEMENTS

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

	2020 £'000	2019 £'000
Salaries and wages	1,304	1,164
Social security costs	119	109
Employers costs of defined contribution pension scheme	41	32
Employers costs of defined benefit pension scheme	32	29
	1,496	1,334

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds. There are five 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:

	2020 £'000	2019 £'000
£60,000 to £70,000	1	1
£110,000 to £120,000	1	1
	2	2

Contributions made in year to pension schemes for higher paid employees amounted to £19,285 (2019: £18,320).

The key management personnel comprise the trustees, the Chief Executive Officer, Fundraising and Marketing Director, Special Projects Officer and Finance Director. The total employee benefits of the key management personnel for the year were £358,300 (2019: £385,150).

During the year there was one (2019: nil) termination payment made which amounted to £7,100 (2019: £nil).

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 2020 or 31 March 2019, so no provision has been made in the accounts for unused holiday.

MIDLANDS AIR AMBULANCE CHARITY



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 (2019: £nil). Expenses amounting to £1,008 (2019: £1,215) were reimbursed to 3 (2019: 4) 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 (2019: £nil).

The charity holds trustees and directors Indemnity insurance cover of £1,000,000 (2019: £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:

	2020 Number	2019 Number
Fundraising	23	21
Administration and HR	9	8
Finance	5	5
Trading	12	8
Average head count	49	42

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 2019	10,938	792	804	47	320	36	12,937
Additions	-	1	1	30	19	-	51
Reclassification	-	-	-	-	36	(36)	-
As at 31 March 2020	10,938	793	805	77	375	-	12,988
Depreciation:							
As at 1 April 2019	1,542	701	363	35	223	-	2,862
Charge for the year	545	35	156	8	71	-	815
As at 31 March 2020	2,087	735	518	43	294	-	3,677
Net Book Value							
At 1 April 2019	9,396	91	441	12	97	36	10,073
At 31 March 2020	8,851	58	287	34	81	-	9,311

MIDLANDS AIR AMBULANCE CHARITY



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 2019	10,938	792	744	42	320	36	12,872
Additions	-	1	-	23	19	-	43
Reclassification	-	-	-	-	36	(36)	-
As at 31 March 2020	10,938	793	744	65	375	-	12,915
Depreciation:							
As at 1 April 2019	1,542	701	326	32	223	-	2,824
Charge for the year	544	34	147	7	70	-	802
As at 31 March 2020	2,086	735	473	39	293	-	3,626
Net Book Value							
At 1 April 2019	9,396	91	418	10	97	36	10,048
At 31 March 2020	8,852	58	271	26	82	-	9,289

14. Intangible assets

Consolidated

	Software £'000	Total £'000
Cost:		
As at 1 April 2019 and 31 March 2020	31	31
Amortisation:		
As at 1 April 2019	20	20
Charge for the year	5	5
As at 31 March 2020	25	25
Net Book Value		
At 1 April 2019	11	11
At 31 March 2020	6	6

MIDLANDS AIR AMBULANCE CHARITY



NOTES TO THE FINANCIAL STATEMENTS

14. Intangible assets continued

Charity	Software £'000	Total £'000
Cost:		
As at 1 April 2019 and 31 March 2020	26	26
Amortisation:		
As at 1 April 2019	15	15
Charge for the year	5	5
As at 31 March 2020	20	20
Net Book Value		
At 1 April 2019	11	11
At 31 March 2020	6	6

15. Investments (Group and Charity)

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

	2020 £'000	2019 £'000
Market value at 1 April	11,692	8,781
Acquisitions at cost	1,500	2,500
Income on investments reinvested	402	337
Less investment management costs	(25)	(33)
Net (loss)/gain on revaluation	(1,370)	107
Market value at 31 March	12,199	11,692
Historical cost at period end	12,273	10,390
Increase in the value of investments	507	2,911

MIDLANDS AIR AMBULANCE CHARITY



NOTES TO THE FINANCIAL STATEMENTS

15. Investments continued

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

	2020 £	2019 £
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	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	36	14	33	11
Prepayments	374	384	357	358
Accrued income	1,783	1,217	1,783	1,217
Amount due from subsidiary	-	-	165	143
VAT recoverable	73	109	64	102
Other debtors	11	11	2	2
	2,277	1,735	2,404	1,833

Amounts due to the charity from the subsidiary include an agreed loan, which at 31st March 2020 showed amounts due within one year £nil (2019: £nil) and amounts due in more than one year of £48,077 (2019: £46,228).

17. Creditors: amounts falling due within one year

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	749	378	735	346
Accruals	415	163	400	150
Other creditors	41	19	31	9
Taxation and social security costs	30	27	30	27
	1,235	587	1,196	532

MIDLANDS AIR AMBULANCE CHARITY



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	2020 £'000	2019 £'000
Within one year	73	2,902	2,975	2,978
Within two to five years	63	-	63	126
	136	2,902	3,038	3,104

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	134	228	(326)	-	-	36
Mr R J Maurer	-	1	(1)	-	-	-
Home Office	-	29	(24)	-	-	5
Birmingham City Council	-	9	-	-	-	9
The Hospital Saturday Fund	4	-	(3)	-	-	1
	138	267	(354)	-	-	51
Designated reserves						
Fixed asset fund	10,084	-	-	-	2,832	12,916
Aircraft development	1,500	-	-	-	-	1,500
Project fund	97	-	-	-	1,439	1,536
	11,681	-	-	-	4,271	15,952
General reserves						
Expenditure fund	10,135	-	-	-	-	10,135
Development plan	1,500	-	-	-	-	1,500
General reserve	11,878	14,327	(10,525)	(1,370)	(4,271)	10,039
	23,513	14,327	(10,525)	(1,370)	(4,271)	21,674
Total reserves	35,332	14,594	(10,879)	(1,370)	-	37,677

MIDLANDS AIR AMBULANCE CHARITY



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	134	228	(326)	-	-	36
Mr R J Maurer	-	1	(1)	-	-	-
Home Office	-	29	(24)	-	-	5
Birmingham City Council	-	9	-	-	-	9
The Hospital Saturday Fund	4	-	(3)	-	-	1
	138	267	(354)	-	-	51
Designated reserves						
Fixed asset fund	10,059	-	-	-	2,857	12,916
Aircraft development	1,500	-	-	-	-	1,500
Project fund	97	-	-	-	1,439	1,536
	11,656	-	-	-	4,296	15,952
General reserves						
Expenditure fund	10,135	-	-	-	-	10,135
Development plan	1,500	-	-	-	-	1,500
General reserve	11,931	13,883	(10,087)	(1,370)	(4,296)	10,061
	23,566	13,883	(10,087)	(1,370)	(4,296)	21,696
Total reserves	35,360	14,150	(10,441)	(1,370)	-	37,699

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	Purchase crew uniforms, protective equipment, hangar adaptations and critical care car.
Mr R J Maurer	Purchase kit bags for the clinical teams
Home Office	Undertake external bleed control training
Birmingham City Council	Purchase bleed control kits
The Hospital Saturday Fund	Purchase equipment to facilitate CPR training for the general public

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



NOTES TO THE FINANCIAL STATEMENTS

19. Reserves continued

Designated funds

The fixed asset fund is set aside to cover the cost of fixed assets used by the charity for charitable purposes.

The 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 useful lives. Expenditure in this regard is not time limited.

Trustees have set aside a project fund for a capital project.

20. Analysis of net asset by fund

	Restricted Funds £'000	Designated Funds £'000	General Funds £'000	2020 Total £'000	2019 Total £'000
Tangible and intangible fixed assets	-	9,317	-	9,317	10,084
Investments	-	5,099	7,100	12,199	11,692
Cash at bank and in hand	51	1,536	13,496	15,083	12,378
Other net current assets	-	-	1,078	1,078	1,178
Total	51	15,952	21,674	37,677	35,332

21. Financial instruments

	2020 £'000	2019 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	27,282	24,071
Financial assets that are debt instruments measured at amortised cost	47	25
	27,329	24,096
Financial liabilities		
Financial liabilities measured at amortised cost	1,126	586
	1,126	586

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.



NOTES TO THE FINANCIAL STATEMENTS

22. Related party transactions

Transactions occurred during the year between the charity and trading company. During the year for the charity the income was £160,000 (2019: £120,000) and expenditure was £181,191 (2019: £117,253). Money owed to the charity from the trading company was £165,668 (2019: £142,629).

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.

23. Post balance sheet events

During the latter part of the financial year, there has been a global pandemic from the outbreak of COVID-19. Since the Balance Sheet date, the global pandemic from the outbreak of COVID-19 has continued to develop and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom.