

Registered Charity Number: 1083876

Company Number: 04066700



East Anglian Air Ambulance

Company limited by guarantee

Financial Statements and Annual Report

For the year ended

30 June 2023



East Anglian Air Ambulance

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Year ended 30 June 2023

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East Anglian Air Ambulance

Reference and administrative details of the Charity, its Trustees and Advisers

Year ended 30 June 2023

Registered charity name	East Anglian Air Ambulance
Charity registration number	1083876
Company registration number	04066700
Principal office and registered office	Hellmed House Hangar 14 Gambling Close Norwich Airport Norwich NR6 6EG
The Trustees	E S Evans ACA (Chairman) * † D Astill † S Bourne † R S Holden LLB Solicitor, MCIPR* D G Richardson FCA * N R Savory FCA DL * T F Wells † A W Wilson MB, ChB, FRCS, FRCER, OBE * Member of Finance Committee † Member of Nominations Committee
Chief Executive	M A L Jones MA MBA
Company Secretary	R Spencer FCA
Website	www.eaaa.org.uk
Auditor	Crowe U.K. LLP Riverside House 40 - 46 High Street Maidstone Kent ME14 1JH
Solicitors	Birketts LLP Kingfisher House 1 Gilders Way Norwich NR3 1UB

East Anglian Air Ambulance

Reference and administrative details of the Charity, its Trustees and Advisers

Year ended 30 June 2023

Solicitors (continued)	Hansells 13 The Close Norwich Norfolk NR1 4DS Mills & Reeve LLP 1 St James Court Whitefriars Norwich Norfolk NR3 1RU
Bankers	NatWest Bank plc 1 Broadland Business Park Peachman Way Norwich NR7 0WF Barclays Bank plc 3 St James Court Whitefriars Norwich NR3 1RJ Virgin Money plc Jubilee House Gosforth Newcastle upon Tyne NE3 4PL CCLA One Angel Lane London EC4R 3AB
Investment Managers	BNY Mellon Fund Managers Limited Client Service Centre PO Box 366 Darlington DL1 9RF
Independent Financial Advisors	Yoke Financial Consultants Limited (t/a Yoke and Company) 6 Normanhurst Road London SW2 3TA

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Trustees' Report (including Strategic Report)

Year ended 30 June 2023

The Trustees present their report and audited consolidated financial statements of the Charity and the group for the year ended 30 June 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice published in October 2019 applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The main activities of the East Anglian Air Ambulance (EAAA) are:

- The provision of pre-hospital emergency medical care to predominantly life-threatening or life-changing accidents and medical emergencies, 24 hours a day, 365 days a year. Crews from EAAA are tasked by the East of England Ambulance Service (EEAST) as part of the 999 emergency system and our crews are deployed by helicopter or rapid response vehicle (RRV), whichever is most suitable at the time of tasking.
- The medical teams comprise highly skilled, experienced doctors and critical care paramedics (CCPs) using state-of-the-art equipment, delivered to the scene of an emergency by the fastest means available. These critical care teams have the capacity to save life by conducting advanced medical interventions wherever a patient has become ill, stabilise them so that they can then be transported to the most appropriate hospital for their needs by the most appropriate means.
- The fully equipped helicopters and RRVs deploy from EAAA bases at Norwich Airport and Cambridge City Airport from where they can access the entire region.
- In support of this main activity, we provide aftercare to our patients and their families, assisting them in their recovery and helping them come to terms with what can be life-changing events, and sometimes bereavement. This extends to facilitating peer-support groups and working with other organisations in partnership to ensure people have access to the help they need.

EAAA also works to improve outcomes for patients more widely, including:

- Delivery of basic life support training to the public and advanced training to medical professionals. This contributes to improving public knowledge of the chain of survival for cardiac arrest patients and increases the number of people able to deliver cardio-pulmonary resuscitation (CPR) and defibrillation, with a view to increasing out-of-hospital cardiac arrest survival rates which remain poor in the UK compared to some other countries.
- Investing in research and development to pioneer new lifesaving treatments through our Research, Audit, Innovation & Development (RAID) team, as well as generating evidence to support clinical best practice. We work in partnership with professional clinical bodies, universities, acute hospital trusts and other air ambulances to share information and support service improvements nationally and internationally.

These activities were wholly in line with the charitable objects of the Charity which are:

- The relief of sickness and injury by the provision of emergency medical services and equipment and in particular by the provision of a helicopter air ambulance service or other emergency transportation wholly or mainly within the area served by the East of England Ambulance NHS Trust;
- For the benefit of the public and the advancement of health, the provision of training, research and education in the field of pre-hospital medicine and the treatment or prevention of sickness and injury; and
- The provision of health-related services by and including the provision of post-hospital support for patients.

East Anglian Air Ambulance

Trustees' Report (including Strategic Report)

Year ended 30 June 2023

Public benefit statement

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit and that the Charity meets the requirements in the advancement of its objects. The board considers that the activities undertaken during the year are in line with EAAA's charitable objectives and deliver both the 'public' and 'benefit' aspects of public benefit; EAAA's critical care service is delivered to anyone who needs it and brings benefit through the provision of advanced skills to patients at the scene of their injury or illness and rapid onward transportation to the most appropriate hospital for their needs.

Volunteers

The Charity has a huge amount of support from our diverse and dedicated volunteers who make a significant and ever increasing contribution to our activities. Although formal inclusion of the value of this contribution in the Charity's statutory accounts is not permitted under the SORP, EAAA has developed a system to make a reasonable estimation of its value. For the year 2022/23 our volunteers have donated the equivalent of £145,000, which equates to 38 missions. Volunteers support the Charity's work in a variety of different ways, including as Trustees, delivering clinical and community CPR training, undertaking inspections for possible helicopter training sites and supporting all front of house work at our Head Quarters. Their recognition through an annual celebration and mediums such as this report, demonstrate our ongoing appreciation and reliance on their expertise.

Achievements & Performance

2023 was EAAA's busiest year yet. Whilst consistent tasking levels were maintained, EAAA treated more patients than ever before. Not only does this mean the service was available for more people who needed it but also that our crews are becoming more effectively tasked to where we can make the most difference. EAAA has also undertaken more night missions, trained more members of the community in life-saving skills and forged ahead in its research and audit activities.

Emergency Medical Service

The activity of EAAA's crews in 2022/23 increased in comparison with the previous year, being called to an average of eight critical care emergencies each day, as summarised in the following table:

	2022/23			2021/22		
	Helicopter	RRV	Total	Helicopter	RRV	Total
Missions	1,620	1,175	2,795	1,481	1,054	2,535
Patients treated	1,138	769	1,907	1,106	694	1,800

The split across the counties of the East of England and beyond was as follows:

County	2022/23		2021/22	
	Number	%	Number	%
Norfolk	1,258	45.0%	1,075	42.4%
Cambridgeshire	589	21.1%	527	20.8%
Suffolk	472	16.9%	463	18.2%
Bedfordshire	131	4.7%	113	4.5%
Essex	185	6.6%	172	6.8%
Hertfordshire	151	5.4%	181	7.1%
Out of area	9	0.3%	4	0.2%

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Trustees' Report (including Strategic Report)

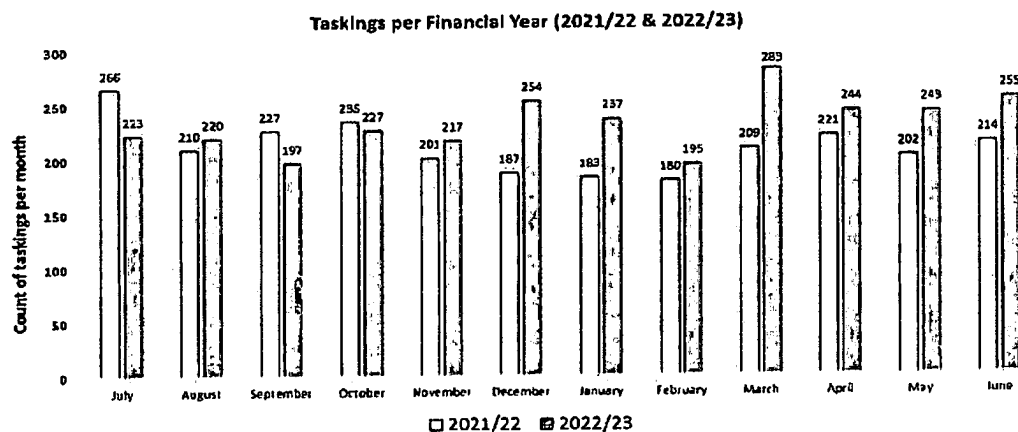
Year ended 30 June 2023

The incidents attended can be categorised as follows:

Incident Type	2022/23		2021/22	
	Number	%	Number	%
Cardiac arrest	499	26.2%	443	24.6%
Road traffic collisions	426	22.3%	386	21.5%
Other medical emergencies	410	21.5%	354	19.7%
Falls	271	14.2%	268	14.9%
Self-harm	113	5.9%	125	6.9%
Other accidental injuries	54	2.8%	67	3.7%
Assault	51	2.7%	60	3.3%
Sport/Leisure	24	1.3%	66	3.7%
Other	59	3.1%	31	1.7%

The second anniversary of 24 hour operations by air from Norwich was celebrated on 30 June 2023. The demand for EAAA's services at night increased, particularly when delivered by helicopter, as demonstrated by a 30% overall increase in helicopter emergency medical service (HEMS) callouts during the whole 12-hour night shift (7pm to 7am) and a noticeable 76% increase between the hours of 1am and 6am compared to the previous year.

The following graph demonstrates the trend for total activity over the course of the past two years:



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Trustees' Report (including Strategic Report)

Year ended 30 June 2023

Patient Outcomes

Data sharing: Understanding the health outcomes of our patients is essential to demonstrating the impact of EAAA's service. EAAA relies on collaboration with other healthcare partners and data sharing with the many hospitals that we deliver our patients to, as well as sophisticated analysis against large national datasets such as the Trauma Audit and Research Network (TARN). We achieved a significant milestone in 2023 by establishing the legal basis for disclosure of confidential patient information from EAAA to Cambridge University Hospitals NHS Foundation Trust, and the return of a linked dataset to EAAA under s251 of Regulation 5 of the Health Service (Control of Patient Information) Regulations 2002. This concerns the patients we take to Addenbrooke's Hospital, which is the only Major Trauma Centre (MTC) in the East of England, and therefore the receiving hospital for the most seriously injured trauma patients we treat.

Cardiac Arrest outcomes: EAAA's pioneering analysis of out-of-hospital cardiac arrest outcomes across the East of England has continued, allowing us to understand the benefits of treatment that HEMS teams can bring, and to improve our understanding of the effectiveness of treatments and interventions. Over the year we have ascertained that the survival rate of EAAA's cardiac arrest patients to hospital discharge was 12% compared to an average of 8% across the East of England as a whole. EAAA was also established as an essential partner within the regional out-of-hospital cardiac arrest network, using this partnership to help improve the reception of patients at cardiac centres within the region to improve patient outcomes from cardiac arrest.

Research & Audit: The work and influence of the RAID team in pre-hospital emergency medicine (PHEM) research continues to strengthen and its profile has again increased during the year. The group published six papers in scientific journals during the year on subjects including critical care team dispatch and hypotension in patients who have received a pre-hospital emergency anaesthetic. EAAA hosted its second PHEM research and development conference in April 2023. This hybrid event attracted an estimated 200 attendees in total with 80 delegates joining in person on the day. UK and international speakers and delegates participated, with a focus on innovations in treatment of out-of-hospital cardiac arrest. There were over 300 retrospective viewings of the conference sessions via the EAAA website.

Community life support training & Aftercare: The Charity continues to strive towards a holistic approach to patient care, with an aim to improve patient outcomes both before and after the crews are needed at the scene of a life-threatening incident:

- With the help of our volunteers, EAAA's community training team delivered training in CPR and the use of a defibrillator to over 18,000 people in the last year, a vital life-saving skill that is essential in the chain of survival for cardiac arrest patients. During this period, according to figures from the Resuscitation Council, the East of England has a 66% rate of bystanders performing CPR, which is 23% above the national average, and also 11% higher for this region compared to 12 months ago. We are proud to have met four patients in the last year whose lives have been saved by members of the public trained in CPR by our community training programme.
- EAAA's aftercare service supported nearly 500 patients and families during their recovery following their incident.

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Clinical education: The Advanced Life Support, Point of Care Ultrasound and Specialist Endovascular Access in Resuscitation courses are examples of EAAA leading the way nationally and internationally with teaching advanced skills that contribute to improving the outcome of patients we treat and improving expertise beyond clinicians who work with EAAA (ambulance and hospital-based clinicians). EAAA is also collaborating with the University of East Anglia to launch and deliver a Post Graduate Certificate in Paramedic Sciences. This qualification is aimed at paramedics wishing to follow critical care as a career path and should help to increase the pipeline of candidates for CCP positions with EAAA and other air ambulances in the future. Any training provided by EAAA to external parties is priced to generate a small surplus which is then used in furtherance of its charitable objectives.

Operational Developments

The second of EAAA's Airbus H145 helicopters was significantly upgraded in 2022/23 to match its sibling which was upgraded last year. Its four-rotor head was changed to the new five-rotor head, bringing it up to the latest 'D3' specification for brand new H145 aircraft. Both EAAA aircraft now benefit from the following improvements:

- Decreased vibration resulting in reduced crew fatigue and patient benefits (pain control, maintaining reliable monitoring and reduced risk of cardiovascular instability in severely injured patients) and making inflight patient interventions easier; and
- Increased payload, allowing us to carry more equipment, sometimes a family member and most importantly more fuel to increase endurance, thereby reducing the need to refuel so often and increasing availability.

Work on a second helipad was completed at Helimed House, EAAA's headquarters and Norwich operating base. This is positioned closer to our crew room, reducing activation times, and also allows aircraft swaps to take place more efficiently with less downtime. It was funded wholly by a grant from HELP (Hospital Emergency Landing Pads) Appeal.

Financial Review

Results for the year

EAAA delivered another strong financial performance for the financial year ended 30 June 2023. We were once again fortunate to be the beneficiary of significant amounts and numbers of legacies, and also controlled costs where possible, resulting in a significant surplus.

Summary Financial Results	2023 £	2022 £
Total income	18,609,681	18,112,677
Total expenditure	(16,752,450)	(15,619,756)
Net gains/(losses) on investments	8,593	(319,559)
Net Income	<u>1,865,824</u>	<u>2,173,362</u>

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Trustees' Report (including Strategic Report)

Year ended 30 June 2023

Income

The Charity derives the majority of its income from various fundraising activities, legacies and the lottery (operated by its subsidiary company). It is important that the Charity has a diverse mix of income streams so it is less vulnerable to downturns in one income type or another. This also improves cash flow as some income is regular, whilst other income is seasonal.

Given the wider economic climate, we anticipated that income could be affected as our supporters may have less disposable income to donate to our cause. This was borne out in the results. For example, although we were able to grow event participation numbers back to pre-Pandemic levels, the amount of sponsorship people were able to raise was generally lower. This also affected income from our appeals; however other initiatives and income streams such as donations in memory of people meant that overall we were able to meet our fundraising plans.

As in 2022, legacy income far exceeded the anticipated amount for the year, totalling £5.4m (2022: £5.6m). The nature of this income is very difficult to predict and plan for but is a key income stream for the Charity. The extra income from legacies this year has enabled us to set some funds aside for the delivery of future significant strategic projects we know we will need to complete over the next three to five years (see 'Funds' below).

Expenditure

As in 2022, expenditure rose across all areas, reflecting continued inflationary pressures but also increased charitable activity (see 'Achievements & Performance' section above). In addition, increased fundraising activity comes with associated costs, and the Charity has consciously invested in improving systems and data analysis across all areas of activity.

Overall, costs remained below original planning assumptions in all areas of the Charity.

Liquidity

Although the Charity holds healthy reserves (see below) it is also important to manage cash flow effectively. This is particularly significant for the following reasons:

- 1) Our income is comprised of regular and seasonal inflows of cash, whilst our operating costs generally remain similar each month.
- 2) A large proportion of our current assets is derived from legacy income, in respect of which the cash has not yet been received.

As at 30 June 2023, the Charity holds the following investments, and liquid funds:

Funds & cash	2023 £	2022 £
Investments	10,514,677	10,506,085
Deposit account	3,521,194	518,095
Current accounts	3,481,704	4,857,879
Total	17,517,575	15,882,059

The value of the investment portfolio has remained reasonably stable throughout the year.

Cash balances have risen due to receiving significant cash from legacies during the year. These have been placed on deposit to generate additional income from interest.

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Funds

The Charity holds both Restricted and Unrestricted Funds.

Group funds	2023 £	2022 £
Restricted funds	152,027	381,276
Unrestricted funds		
Designated funds	3,151,345	1,792,017
General fund	27,888,892	27,153,147
	31,040,237	28,945,164
Total	31,192,264	29,326,440

Restricted Funds

Details of the restricted funds, which amounted to £0.15m at 30 June 2023, are shown in note 17 to the financial statements. Primarily these funds relate to donations made for specific purposes, such as replacement of medical equipment and delivering CPR training across our communities.

Unrestricted Funds

Unrestricted Funds are the funds which are held to ensure that EAAA can continue delivering its services in a financially sustainable manner. They are also used to further the Charity's purpose in accordance with its aims and objectives.

The Trustees regularly review the funds held compared to the strategic plans and current financial position of the Charity. Unrestricted Funds are therefore used specifically to address the following elements:

- Maintain sufficient funds to support the day to day running costs of the Charity.
- Mitigate the financial impact of any unforeseen risks or unplanned costs.
- Navigate through emergencies and disasters, and/or cover the costs associated with the winding up of the Charity.
- Ensure the Charity has the funds for future strategic development.
- Ensure the Charity has the funds for large operational projects.

General Fund

In determining the level of reserves required the Trustees consider:

- Five-year budgets and forecasts
- Working capital requirements
- Changes in legislation relating to lottery canvassing or other external pressures
- Fluctuations in legacy income
- The planned costs of future service developments
- Risks relating to a significant increase in planned voluntary income forecast over the next five years
- Potential increases in operational expenditure
- Stock market fluctuations
- Changes in Government policy relating to the provision of Air Ambulance services

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Trustees' Report (including Strategic Report)

Year ended 30 June 2023

As at 30 June 2023, the free reserves of the Charity (i.e. excluding tangible assets such as land and buildings held for the Charity's use) within the General Fund was £20.07m. This represents the equivalent of 14 months' worth of operating costs against a target level of 12 months' worth. It is also equivalent to approximately three quarters of the value of the long term lease the Charity is committed to with its aviation partner (which currently totals £26.8m over the lifetime of the contract, see note 19 Operating lease commitments in the notes to the financial statements).

Subsequent to the year end as part of the regular review of the above, the Trustees have recently deemed that reserves should be split between funds for specific future expenditure (see 'Designated Funds' below) and free reserves to address the following requirements:

- a. Cover for the day to day working capital requirements of the Charity (calculated based upon the five-year financial plans and cashflow projections).
- b. A buffer to mitigate unforeseen financial risks or delays to significant receipts of income (e.g. from legacies) to give 100% cover for a. above.
- c. An emergencies fund equivalent to the loss of most significant income stream or be able to cover 12 months' fixed costs – whichever is the larger.

The Charity aims to maintain reserves in line with the above; however, there may be situations where it is appropriate for the level of reserves to be higher or lower than target. This is at the discretion of the Trustees, based upon a number of other factors such as the current and forecast financial performance of the Charity, strategic opportunities arising, the assessment of external risks and the future potential benefits of making early investments.

Designated Funds

The Trustees regularly consider future potential capital needs and strategic investment requirements. In previous years, up to 25% of income from legacies has been allocated to the Planned Capital Expenditure Fund (PCEF), for such purposes the most recent example being the completion of the new Norwich base to facilitate 24/7 HEMS.

We understand that we will need to relocate from our Cambridge base due to the planned sale of the site by the landlord. The Trustees have therefore elected to continue transferring 25% of legacy income recognised in the year (equating to £1.359m) to the PCEF to provide initial funds for commencing this project.

There are a number of other areas where the Charity will need to make significant investments to maintain current services and deliver the overall strategic plan, and it is therefore the intention of the Trustees to set up additional designated funds for these over the coming financial year.

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Trustees' Report (including Strategic Report)

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Investments

The majority of the Charity's reserves are held in investments and cash or deposit accounts. There are a number of different risks associated with holding funds and investments and the Trustees therefore set an investment Policy which includes the parameters for mitigation of these risks as far as possible. The Trustees seek advice from suitably qualified persons when considering investment decisions and have therefore commissioned the services of an independent financial advisor (IFA) authorised and regulated by the Financial Conduct Authority to provide ongoing expert support. They may also seek advice from other suitably qualified experts on an ad hoc basis as needed.

Ethical Investment

It is the Trustees' intention to avoid harm by ensuring that environmental, social and governance (ESG) factors are incorporated into the criteria for any investments placed.

The Trustees therefore require the fund manager(s) to:

- a. integrate environmental, social and governance factors within the selection process, across all asset classes.
- b. seek to influence companies, through engagement and voting, to encourage companies in which they invest to make progress towards the sustainable development goals.
- c. collaborate with other charity investors to identify areas of mutual concern.

The Trustees do not wish to invest in companies which fail to meet the responsible investment criteria set by this policy. It is acknowledged that some investment funds, especially unit trusts, may include sub-investments or very small holdings in such companies. The Trustees require the fund managers to take all reasonable steps to exclude such companies where possible but recognise this may be impractical at times.

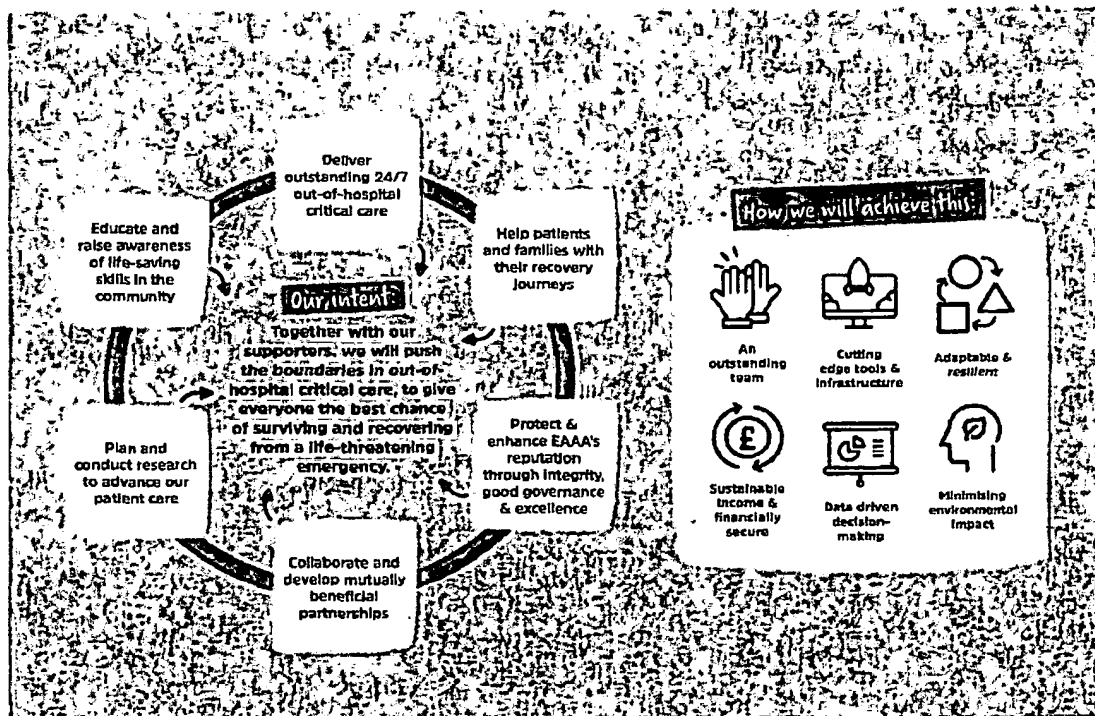
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Plans for the future

The current strategy and five-year plan was approved in June 2022. The following infographic summarises the strategy, with EAAA's strategic intent being achieved through six main areas of activity and underpinned by seven key enablers:



We have made good progress against our objectives and exceeded the financial goals set for the end of year one.

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Five-year financial projections have been built around the agreed strategic objectives. Over the next five years we are committed to:

- Increase our research, audit, innovation and development (RAID) activity to continuously develop our capability, improve patient outcomes and improve our national and international reputation in order to attract the best available talent.
- grow life support training activity to train 20,000 members of the community per annum. EAAA trained over 18,000 people during the first year, so we will be reviewing our ambitions accordingly!
- provide aftercare support to more than 50% of our patients and/or their families each year by June 2027.
- grow our active supporter base from 124,000 to 174,000 by June 2027.
- continue to use our influence to develop a robust network of 24/7 lit helipads at hospitals throughout the region to improve the effectiveness of our growing night operations.
- upgrade our transport platforms to the latest specifications and update the RRV fleet, adopting EV technology when it is practical to do so.
- continuously improve the medical fit of our two aircraft to incorporate the latest innovations to aid patient care.
- identify and implement cutting edge information systems to assist in the efficiency of our operations and facilitate greater insight from all our data.
- maintain and develop a diversified income portfolio to mitigate risks arising from economic cycles.
- develop and commence implementation of a long-term roadmap to achieve an operation with lower carbon emissions and net zero overall by 2040.

Delivering these commitments will require ongoing investment and development of the Charity, alongside maintaining delivery of our current services against an economic backdrop of increased costs. The Trustees will continue to regularly review the financial plans and forecasts against the strategic deliverables to assess affordability and make provision for future investment. This includes reviewing EAAA's reserves and investment policies and taking independent advice to ensure funds are managed in accordance with a stratified approach to risk and reward.

Structure, governance and management

Constitution

EAAA was established on 6 September 2000 as a charitable company limited by guarantee. It is governed by its Articles of Association which were updated by the Trustees on 29 May 2020.

East Anglian Air Ambulance (Trading) Limited was formed on 2 January 2001 as a wholly-owned subsidiary to carry out trading activities on behalf of the Charity.

Recruitment and appointment of Trustees

The Directors of the Charity are its Trustees for the purposes of Charity Law and throughout this report are collectively referred to as the Trustees. The Trustees oversee the governance of the Charity and are responsible for ensuring that the Charity is being run in accordance with and in support of its purpose, its strategy and agreed policies and procedures. The Trustees comprise of at least five and not more than nine people.

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Trustees are appointed to serve in three-year terms which can be renewed if this is agreed as being in the interests of the Charity, usually subject to a maximum of nine years. The Chair may serve for a maximum of two additional three-year terms. The election and re-election of Trustees takes place at the Annual Trustees meeting. The Nomination Committee leads the process of selection of candidates for appointment to the Board of Trustees and makes recommendations to the Trustees regarding plans for succession.

The current Trustees are the Members of the Charity for Company Law purposes.

Marie Sigsworth and Charlotte Hignett were co-opted on 9 October 2023 and will be appointed as Trustees on 14 December 2023.

Trustee induction and training

On appointment Trustees are given an induction briefing and a comprehensive Trustee Governance Manual which includes:

- Information about the organisational structure of the Charity
- Guidance on their roles and responsibilities
- The Memorandum and Articles of Association
- The financial position of the Charity and future financial plans

Trustees attend training sessions and are encouraged to keep up to date with Charity issues by reading Charity Commission newsletters and other relevant publications. The Charity uses the Charity Commission's Governance Code as a framework by which to assess application of good practice and opportunities for improvements.

Organisational structure

The Charity is governed by the non-executive Board of Trustees which meets every quarter. The Board is responsible for the strategy and direction of the organisation and for ensuring that the charity is run in accordance with the Charity Commission governance code. The Board of Trustees is supported by two Board committees: the Finance Committee and the Nominations Committee.

The Finance Committee comprises four Trustees and meets quarterly to consider financial matters and makes recommendations to the Trustees accordingly. The Chief Executive and the Finance Director/Company Secretary are in attendance and representatives of the Executive Team also join these meetings as appropriate.

The Nominations Committee consists of up to four nominated Trustees, appointed annually at the Annual Meeting. The Committee is an advisory committee which leads on Trustee recruitment, selection, succession planning and training. The Committee also oversees the recruitment and selection process for the Chief Executive, as well as reviewing and approving the remuneration of the Executive Team.

Day to day operations and fundraising activities of EAAA is led by the Executive Team which comprises:

- Chief Executive
- Director of Engagement & Income
- Medical Director
- Finance Director (and Company Secretary)
- Director of People & Culture
- Director of Operations & Infrastructure

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Decisions requiring Trustee approval are defined in the Trustees Governance Manual and include:

- Board and Committee appointments
- The Charity's strategic aims, its objectives and direction
- The appointment and remuneration packages of the Chief Executive and members of the Executive Team.

The Charity's wholly owned trading subsidiary, East Anglian Air Ambulance (Trading) Limited runs a lottery and undertakes certain trading activities. The company operates independently of the Charity in accordance with Charity Commission guidelines, with its own Independently chaired Board of Directors.

Remuneration Policy

The success of the Charity is largely dependent on its ability to attract and retain talented staff, with appropriate skills, whose own values align with those of the organisation.

The Charity is therefore committed to investing in its people, both in terms of remuneration and their professional and personal development. Positive wellbeing in the workplace is at the core of the Charity's culture. Staff engagement is excellent and EAAA was listed in The Sunday Times Best Places to Work 2023.

The Charity has a structured pay policy which ensures that salaries reflect the knowledge, skills, responsibilities, experience and personal competencies required for the satisfactory performance of each role. Salaries are reviewed regularly and benchmarked primarily against the not-for-profit sector, but with an eye on other sectors given the competitive nature of the employment marketplace.

The remuneration packages of the Chief Executive and Executive Directors are benchmarked against those of similar organisations and are reviewed by the Nominations Committee before being ratified by the Trustees.

Risk management

Risk management is well embedded into the operations of the Charity, with risks identified, considered and regularly reviewed through various forums and processes. The Charity's risk register is monitored each month by the Executive Team, with new and significant risks reviewed quarterly by the Trustees, together with progress in implementing and monitoring mitigations.

The major risks and uncertainties facing the Charity have been identified as being issues which would lead to a curtailment or cessation of its critical care service as a result of:

- A disruption (whether short, medium or long term) in the service availability of the aircraft resulting from technical fault, accident or grounding of all similar aircraft
- A shortfall in the availability of frontline crew (doctors, paramedics or pilots) to support the rota
- A significant and enduring fall in fundraising income and/or increase in costs resulting from a variety of causes, including inflation, economic downturn, regulatory or legislative changes
- The inability of the Charity to meet regulatory standards across its various activities.

The Trustees are satisfied that, so far as is practicable, appropriate policies, procedures and systems are in place to mitigate these risks and others identified in the risk assessment process.

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Clinical Governance

EAAA's arrangements have been designed to reflect those found in NHS organisations, with due regard to the seven pillars of clinical governance:

- Clinical Effectiveness
- Risk Management
- Patient & Public Involvement
- Audit
- Staff Management
- Education & Training
- Clinical Information Governance

Clinical governance is led by the Medical Director (MD) supported by two Deputy MDs overseeing two areas: Research & Education and Clinical Governance & Service Delivery.

The Clinical Governance Steering Group (CGSG) has oversight of all EAAA clinical activities, including clinical risk management and reviews all clinical incidents, with the RAID Group and Patient Outcome Group (POG) also reporting to this group. The CGSG meets monthly and presents at a monthly clinical governance team meeting.

At the operational level, all clinical cases are reviewed by the duty EAAA consultant, and the more complex cases are discussed at a weekly case review session. Learning points are shared with the entire team. At the patient-clinician interphase, all new clinicians undergo formal PHEM training of 2-3 weeks duration, followed by 100% supervision over a minimum of nine shifts, before being signed off to practice with remote support and a minimum of 20% consultant supervision.

EAAA's clinical operations are regulated by the Care Quality Commission (CQC). When the operations at EAAA's headquarters were inspected in July 2022, all aspects of the operation were rated as 'Outstanding', and EAAA was the first independent healthcare provider in the East of England to achieve this accolade.

Legal Compliance

Health and Safety

EAAA is committed to promoting a positive safety culture throughout the Charity in accordance with its Health & Safety policies, procedures and risk assessments and all legislation.

The Charity will ensure that all operations are carried out in a way to manage and mitigate risk and ensure the health, safety and welfare of all its trustees, staff, volunteers, patients and all those that could be affected by its activities.

Safeguarding

As set out on the Care Act 2014, EAAA has a duty to ensure any safeguarding concerns are raised and addressed, working in partnership with other agencies and referring cases to the Multi Agency Safeguarding Hub (MASH) where applicable. EAAA is committed to safeguarding everyone who comes into contact with the service, staff, volunteers, and those who receive care (patients, relatives, and the public). EAAA also recognises that children and adults at risk from harm require particular safeguarding measures to be taken. EAAA is committed to providing a culture of zero tolerance of any forms of abuse.

East Anglian Air Ambulance

Trustees' Report (including Strategic Report)

Year ended 30 June 2023

The Charity's safeguarding policy provides a common understanding of safeguarding issues and good practice in responding to them, outlines roles and responsibilities, and clarifies governance, monitoring and oversight within the organisation. We review our arrangements annually.

All staff and our Trustees undertake safeguarding training on an annual basis to an appropriate level, depending on their role. Our volunteers have access to safeguarding information leaflets and the Safeguarding Policy and are also invited to attend online or in person training updates.

Fundraising regulation

The Charity is registered with the Fundraising Regulator and follows the Code of Fundraising Practice. Further to this the Charity has various policies in which are updated on a regular basis including; Fundraising, Social Responsibility in Gambling, Cash Handling & Money Laundering, and the Charity's Supporter Promise which is published on our website.

Our lottery and raffle activity is also regulated by the Gambling Commission and we adhere to their rules and regulations, have two registered Responsible Persons and complete gambling returns to their specified schedule. The Charity subscribes to the Direct Marketing Association and abides by the requirements of the General Data Protection Regulation (GDPR).

Our fundraising operations are guided by policies and processes which ensure they are compliant with all regulations and led by appropriately qualified team members who also track changes in the sector to keep us at the forefront of ethical and effective fundraising methods.

Fundraising complaints

The Charity continues to use an online incident reporting system for reporting, recording and monitoring all complaints. Fundraising complaints are evaluated and responded to as quickly as possible.

In the year to 30 June 2023, EAAA received 13 (2022: 20) complaints relating to Lottery canvassing, being less than 0.01% (2022: 0.01%) of people contacted.

Equal opportunities

EAAA is committed to ensuring equal opportunities, fairness of treatment, dignity, work-life balance and the elimination of all forms of discrimination in the workplace for all. The Charity aims to create a working environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. This commitment extends to staff, applicants, volunteers and contractors engaged in the work of the Charity.

Environmental management

EAAA is committed to minimising its energy consumption and carbon footprint and developing a road map to achieving carbon neutrality from its operations by 2040.

East Anglian Air Ambulance

Trustees' Report (including Strategic Report)

Year ended 30 June 2023

The Charity recognises that its current helicopters use non-renewable hydrocarbon fuel and are therefore not exemplars of low carbon transport. Whilst continuing to provide its critical care service to patients, the Charity also continues to work with its partners and other air ambulance organisations to identify more environmentally friendly means of operating and developing a step-wise plan to reduce its carbon footprint from its core operations.

EAAA measured its baseline direct and indirect organisational emissions in 2023 and will measure progress on an annual basis. Although the CO2 emissions from its air operations make up a high proportion of EAAA's environmental impact, improvements in ground-based emissions, use and generation of renewable energy, waste to landfill reductions, supply chain sustainability and carbon offsetting are all areas being actively explored in the shorter term.

Regulatory bodies

The Charity's operations are subject to regulation by the Care Quality Commission, Civil Aviation Authority, Charity Commission, Gambling Commission, Information Commissioner and the Fundraising Regulator.

Trustees' responsibilities

The Trustees (who are also directors of EAAA for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

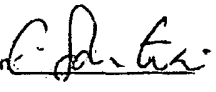
Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material
- departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

Signed by order of the Trustees on 

Sarah Evans ACA (Chairman)

14 December 2023

East Anglian Air Ambulance

Independent Auditor's Report to the Members of East Anglian Air Ambulance

Year ended 30 June 2023

Opinion

We have audited the financial statements of East Anglian Air Ambulance (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 June 2023 which comprise the Group Statement of Financial Activities (including the Income and Expenditure account), the Group and Parent Charitable Company Balance Sheets, the Group 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 Financial Reporting Standard 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 parent charitable company's affairs as at 30 June 2023, and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with 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 group and parent charitable company 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 charitable company'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.

East Anglian Air Ambulance

Independent Auditor's Report to the Members of East Anglian Air Ambulance

Year ended 30 June 2023

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (including the Strategic Report and Trustees' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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 kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

East Anglian Air Ambulance

Independent Auditor's Report to the Members of East Anglian Air Ambulance

Year ended 30 June 2023

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 22, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

East Anglian Air Ambulance

Independent Auditor's Report to the Members of East Anglian Air Ambulance

Year ended 30 June 2023

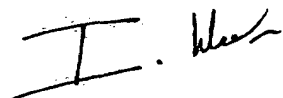
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members for our audit work, for this report, or for the opinions we have formed.



Ian Weekes
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Riverside House
40 - 46 High Street
Maidstone
Kent
ME14 1JH

Date: 23 January 2024

East Anglian Air Ambulance

Group Statement of Financial Activities (including Income and Expenditure Account)

Year ended 30 June 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations and legacies	2	10,752,495	419,793	11,172,288	11,172,267
Other trading activities	3	7,080,692	-	7,080,692	6,692,671
Investments	4	258,914	-	258,914	186,887
Other	5	97,787	-	97,787	60,852
Total income		18,189,888	419,793	18,609,681	18,112,677
Expenditure					
Raising funds	6	3,811,341	-	3,811,341	3,996,393
Charitable activities	7	12,643,533	297,576	12,941,109	11,623,363
Total expenditure		16,454,874	297,576	16,752,450	15,619,756
Net income before gains on investments		1,735,014	122,217	1,857,231	2,492,921
Net gains/(losses) on investments	13	8,593	-	8,593	(319,559)
Net income		1,743,607	122,217	1,865,824	2,173,362
Transfers between funds	17	351,466	(351,466)	-	-
Net movements in funds		2,095,073	(229,249)	1,865,824	2,173,362
Total funds brought forward	17	28,945,164	381,276	29,326,440	27,153,078
Total funds carried forward	17	31,040,237	152,027	31,192,264	29,326,440

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 26 to 44 form part of these financial statements.

East Anglian Air Ambulance

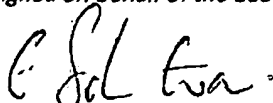
Group and Parent Charitable Company Balance Sheets

30 June 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	12	7,817,152	8,242,207	7,817,152	8,242,207
Investments	13	10,514,677	10,506,085	10,514,679	10,506,087
		<u>18,331,829</u>	<u>18,748,292</u>	<u>18,331,831</u>	<u>18,748,294</u>
Current assets					
Stocks	14	107,842	108,730	95,698	94,923
Debtors	15	7,411,476	6,921,305	8,965,116	10,162,870
Cash on deposit		3,521,194	518,095	3,521,194	518,095
Cash at bank and in hand		3,481,704	4,857,879	1,434,325	1,011,954
		<u>14,522,216</u>	<u>12,406,009</u>	<u>14,016,333</u>	<u>11,787,842</u>
Creditors: Amounts falling due within one year	16	<u>(1,661,781)</u>	<u>(1,827,861)</u>	<u>(1,158,779)</u>	<u>(1,212,575)</u>
Net current assets		<u>12,860,435</u>	<u>10,578,148</u>	<u>12,857,554</u>	<u>10,575,267</u>
Net assets		<u>31,192,264</u>	<u>29,326,440</u>	<u>31,189,385</u>	<u>29,323,561</u>
Charity Funds					
Restricted funds	17	152,027	381,276	152,027	381,276
Unrestricted funds					
Designated funds	17	3,151,345	1,792,017	3,151,345	1,792,017
General fund	17	27,888,892	27,153,147	27,886,013	27,150,268
Total unrestricted funds		<u>31,040,237</u>	<u>28,945,164</u>	<u>31,037,358</u>	<u>28,942,285</u>
Total Charity funds		<u>31,192,264</u>	<u>29,326,440</u>	<u>31,189,385</u>	<u>29,323,561</u>

The financial statements were approved and authorised for issue by the Board on 14 December 2023

Signed on behalf of the board of Trustees


E S Evans ACA (Chairman)


N R Savory FCA DL

Company number: 04066700

The notes on pages 26 to 44 form part of these financial statements.

East Anglian Air Ambulance

Group Statement of Cash Flows

Year ended 30 June 2023

	Note	Group 2023 £	Group 2022 £
Net cash flow from operating activities	23	1,666,616	2,035,159
Cash flows from investing activities			
Income received from investments		240,217	185,991
Receipts from sale of tangible fixed assets		6,739	4,203
Payments to acquire tangible fixed assets		(305,345)	(349,801)
Bank interest received		18,697	896
Disposal of investments		-	500,000
Net cash flow from investing activities		(39,692)	341,289
Net increase in cash and cash equivalents		1,626,924	2,376,448
Cash and cash equivalents at 1 July 2022	24	5,375,974	2,999,526
Cash and cash equivalents at 30 June 2023	24	7,002,898	5,375,974
Cash and cash equivalents consists of:			
Cash on deposit		3,521,194	518,095
Cash at bank and in hand		3,481,704	4,857,879
Cash and cash equivalents at 30 June 2023	24	7,002,898	5,375,974

The notes on pages 26 to 44 form part of these financial statements.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

1. General information

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

(a) General information and basis of preparation

East Anglian Air Ambulance is a private charitable company limited by guarantee in the United Kingdom. The registered office is Helimed House, Hangar 14, Gambling Close, Norwich Airport, Norwich, NR6 6EG. The nature of the Charity's operations and its principal activities are to relieve sickness and injury by the provision of a helicopter air ambulance service or other emergency transportation wholly or mainly within the area served by the East of England Ambulance NHS Trust.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice published in October 2019, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling which is the functional currency of the Charity.

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

(b) Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary East Anglian Air Ambulance (Trading) Limited on a line by line basis. A separate Statement of Financial Activities, or Income and Expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

(c) Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

1. General information (continued)

(d) Income

All income is included in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then Income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Legacies are included in the Statement of Financial Activities when the legacy has been received unless, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

Donated goods and professional services are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity is probable and can be measured reliably. In accordance with the Charity SORP, general volunteer time is not recognised. Upon receipt, donated goods and services are recognised on the basis of the fair value to the Charity, being the amount the Charity would have been willing to pay to obtain the services on the open market. An equivalent amount is recognised as expenditure in the period of receipt.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from the government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, if it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Lottery and raffle income are recognised when each lottery or raffle is drawn.

Training income is recognised once the training has been provided.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

1. General information (continued)

(e) Legacies

With effect from 1 July 2012, up to 25% of all legacies received may be credited directly to the designated Planned Capital Expenditure fund, unless otherwise agreed with the Executors. If the will indicates how the legacy is to be used it is credited to a restricted fund.

(f) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes any VAT which cannot be recovered and is charged as an expense in the Statement of Financial Activities in the year in which it is incurred. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, if it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including merchandise and lottery.
- Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, staff time or estimated usage as set out in note 6.

(g) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight line basis over the period in which the cost is incurred.

Amounts payable for the provision of the helicopter are charged to the Statement of Financial Activities in the period to which they relate.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

1. General Information (continued)

(h) Tangible fixed assets

All items costing less than £1,000 are written off in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Norwich base - building	- 2% straight line
Norwich base - leasehold land	- 150 years straight line
Cambridge base - leasehold land & buildings	- over the period ended 30 June 2027 on a straight line basis
Asset under construction - Norwich helipad	- not depreciated
Plant & motor vehicles	- 20% straight line
Fixtures, fittings, computers & database	- 33.3% straight line
Medical & helicopter equipment	- 25% straight line
Website	- 20% straight line

During the year ended 30 June 2022 the Trustees re-assessed the useful economic life of the Cambridge base and expect that the Charity will continue to operate from this site until 30 June 2027. As a result of this the net book value of this asset is being written off on a straight line basis over this period.

(i) Fixed asset investments

Fixed asset investments comprise shares held in the subsidiary company, East Anglian Air Ambulance (Trading) Limited, together with a portfolio of quoted investments in pooled funds managed by BNY Mellon Fund Managers Limited. Investments in subsidiaries are measured at cost less impairment. Quoted investments are revalued to their fair value at the balance sheet date and the unrealised gain or loss is taken to the Statement of Financial Activities.

(j) Stocks

Stocks are valued at the lower of cost and net realisable value.

(k) Pensions

The Charity operates a defined contribution pension scheme. The charge in the Statement of Financial Activities represents the contributions payable by the Charity during the year.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

1. General information (continued)

(l) Tax

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(m) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

(i) Accrued legacy income

Management judgements are required to estimate a suitable amount of legacy income to accrue at the reporting date. The amount is calculated based on the conditions set out in the Charity SORP (FRS 102).

At 30 June 2023 the financial statements include accrued legacy income of £6,168,621 (2022: £5,164,461).

(ii) Donated goods and services

Management judgement is used to estimate the fair value of professional services donated to the Charity, calculated based on the fair value to the Charity. Donated goods and services received comprise Doctors and Critical Care Paramedics, medical consumables, rent and landing fees waived.

The fair value of services provided by Doctors and Critical Care Paramedics is calculated as the number of hours donated multiplied by the hourly rate that the Charity would have expected to be charged to obtain the services on the open market. Medical consumables, rent and landing fees are calculated at the rate the Charity would expect to pay on the open market.

The financial statements for the year ended 30 June 2023 include donated goods and services of £1,223,735 (2022: £1,098,948).

(iii) Tangible fixed assets

Management judgement is used to assess the useful expected life and residual value of tangible fixed assets. If there is an indication that there has been a significant change since the last annual reporting date in the pattern by which the Charity expects to consume an asset's future economic benefits, management review its present depreciation method and, if current expectations differ, change the depreciation method to reflect the new pattern.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

1. General information (continued)

(n) Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the Statement of Financial Activities.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

2. Income from donations and legacies

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£	£
Collections & collecting tins	120,873	-	120,873	112,981	-	112,981
Third party & Charity events	1,233,486	-	1,233,486	1,080,128	-	1,080,128
Grants from trusts	149,460	-	149,460	323,534	-	323,534
Corporate donors	329,569	-	329,569	186,600	-	186,600
General donations	1,386,105	-	1,386,105	1,348,921	-	1,348,921
In memoriam	538,556	-	538,556	480,123	-	480,123
Gift Aid tax reclaimable	272,530	-	272,530	344,376	-	344,376
Circle of Benefactors	60,869	-	60,869	66,674	-	66,674
Donations towards Helipad	-	-	-	-	210,000	210,000
Donations towards research	-	38,874	38,874	-	5,000	5,000
Donations towards medical equipment	-	289,594	289,594	-	167,127	167,127
Donations towards CPR training	-	26,325	26,325	-	179,788	179,788
Donations towards missions	-	65,000	65,000	-	-	-
Donated goods and services	1,223,735	-	1,223,735	1,098,948	-	1,098,948
Legacies	5,437,312	-	5,437,312	5,568,067	-	5,568,067
	10,752,495	419,793	11,172,288	10,610,352	561,915	11,172,267

3. Income from other trading activities

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£	£
Lottery	6,736,555	-	6,736,555	6,337,096	-	6,337,096
Raffle	277,912	-	277,912	286,663	-	286,663
Merchandise	37,981	-	37,981	66,835	-	66,835
Commercial Participation	12,085	-	12,085	-	-	-
Recycling & other income	14,328	-	14,328	-	-	-
Match Bingo	1,831	-	1,831	2,077	-	2,077
	7,080,692	-	7,080,692	6,692,671	-	6,692,671

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

4. Income from investments

	2023			2022		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Bank interest received	18,697	-	18,697	896	-	896
Dividends received	240,217	-	240,217	185,991	-	185,991
	258,914	-	258,914	186,887	-	186,887

5. Other Income

	2023			2022		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Furlough grant received	-	-	-	4,063	-	4,063
Miscellaneous Income	16,183	-	16,183	3,817	-	3,817
Training courses	81,604	-	81,604	52,972	-	52,972
	97,787	-	97,787	60,852	-	60,852

Total income from Government grants amounted to Enil (2022: £4,063).

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

6. Analysis of expenditure on raising funds

	Costs of generating voluntary income £	Fundraising trading (lottery) £	Fundraising trading £	Total 2023 £	Total 2022 £
Fundraising & event costs	284,101	315,627	-	599,728	480,037
Lottery and Match Bingo prizes	-	161,106	-	161,106	163,570
Canvassers and agents commission	82,054	723,219	-	805,273	1,177,377
Marketing and consultancy	210,082	20,832	418	231,332	243,620
Goods for resale	-	-	16,793	16,793	20,936
Staff costs	1,188,567	236,451	52,935	1,477,953	1,343,927
Premises establishment costs	96,726	12,091	12,091	120,908	130,701
Administration costs	199,694	117,278	45,710	362,682	395,661
Depreciation and profit/loss on disposal of fixed assets	20,552	5,005	10,009	35,566	40,564
Total 2023 (unrestricted)	2,081,776	1,591,609	137,956	3,811,341	3,996,393
Total 2022 (unrestricted)	2,147,157	1,657,206	192,030	3,996,393	

Costs are allocated directly or apportioned on the following basis:

Staff costs	Staff time
Premises establishment costs	Floor area
General office administration costs	Staff time
Training and recruitment costs	Staff time
Legal and professional	Time
Depreciation	Usage
Bank charges and interest	Transactions

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

7. Analysis of expenditure on charitable activities

	Operational & support costs £	Governance costs £	Total 2023 £	Total 2022 £
Helicopter costs	6,683,113	-	6,683,113	6,268,560
Doctors' salaries and fees	909,865	-	909,865	952,410
Doctors and Critical Care Paramedics - donated services	1,072,763	-	1,072,763	966,156
Other donated goods and services	150,972	-	150,972	132,792
Other staff costs	2,424,776	-	2,424,776	1,759,449
Medical consumables and other clinical costs	278,257	-	278,257	243,393
Premises establishment costs	124,214	-	124,214	131,796
Administration costs	579,978	29,075	609,053	471,660
Depreciation and profit/loss on disposal of fixed assets	688,096	-	688,096	697,147
	12,912,034	29,075	12,941,109	11,623,363
Restricted	297,576	-	297,576	
Unrestricted	12,614,458	29,075	12,643,533	
Total 2023	12,912,034	29,075	12,941,109	
Restricted	52,086	-	52,086	
Unrestricted	11,541,992	29,285	11,571,277	
Total 2022	11,594,078	29,285	11,623,363	

Costs are allocated directly or apportioned on the basis shown in note 6.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

8. Net income for the year

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible assets	726,940	740,168
Profit on disposal of tangible assets	(3,278)	(2,458)
Operating lease rentals - helicopter standing charges	5,590,464	5,311,536
Operating lease rentals - other	14,770	2,846

9. Auditor's remuneration

	2023	2022
	£	£
Audit of the Charity's annual financial statements	18,700	17,000
Audit of the subsidiary company's annual financial statements	4,950	4,500
	<u>23,650</u>	<u>21,500</u>

10. Trustees' and key management personnel remuneration and expenses

No Trustees received any remuneration or other benefits from the Charity during the year (2022: £nil).

No Trustees received any expenses during the year in the course of their duties (2022: £nil).

The total amount of employee benefits received by key management personnel was £532,136 (2022: 482,367). The Trustees consider the key management personnel to be the CEO and five executive team members (2022: CEO and five executive team members).

11. Staff costs and employee benefits

The average number of contracted employees and full time equivalent (FTE) during the year was as follows:

	2023	2022	2023	2022
	No.	No.	FTE No.	FTE No.
Operations	14	10	12	9
Doctors	12	13	8	8
Locum Doctors	23	12	2	1
Lottery	4	4	4	4
Fundraising	33	32	30	30
Communications and marketing	6	5	5	5
Administration	21	20	19	18
Faculty	6	6	-	-
	<u>119</u>	<u>102</u>	<u>80</u>	<u>75</u>

The total staff costs and employee benefits were as follows:

	2023	2022
	£	£
Wages and salaries	3,580,430	3,040,427
Social security costs	372,003	315,611
Pension contributions	213,863	159,630
Life insurance	7,348	9,138
	<u>4,173,644</u>	<u>3,524,806</u>

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

11. Staff costs and employee benefits (continued)

The number of employees who received total employee benefits (excluding pension contributions) of more than £60,000 was as follows:

	2023	2022
	No.	No.
£60,000 to £70,000	3	3
£70,000 to £80,000	1	-
£80,000 to £90,000	1	2
£100,000 to £110,000	1	1
£110,000 to £120,000	1	1
£130,000 to £140,000	1	-

12. Tangible fixed assets - Group

	Long leasehold land & buildings - Norwich base	Short leasehold land & buildings - Cambridge base	Asset under construction - Norwich helipad	Plant & motor vehicles	Fixtures, fittings and computers	Medical & helicopter equipment	Total
	£	£	£	£	£	£	£
Cost							
At 1 July 2022	6,317,667	2,018,254	137,115	553,036	482,422	1,095,992	10,604,486
Additions	-	12,922	63,532	141,578	-	87,313	305,345
Transfers	200,647	-	(200,647)	-	-	-	-
Disposals	-	-	-	(44,604)	(7,938)	(66,493)	(119,035)
At 30 June 2023	6,518,314	2,031,176	-	650,010	474,484	1,116,812	10,790,796
Depreciation							
At 1 July 2022	178,393	700,216	-	420,641	343,905	719,124	2,362,279
Charge for the year	132,930	264,483	-	49,525	90,138	189,864	726,940
Eliminated on disposals	-	-	-	(44,604)	(7,937)	(63,034)	(115,575)
At 30 June 2023	311,323	964,699	-	425,562	426,106	845,954	2,973,644
Net book value							
At 30 June 2023	6,206,991	1,066,477	-	224,448	48,378	270,858	7,817,152
At 30 June 2022	6,139,274	1,318,038	137,115	132,395	138,517	376,868	8,242,207

Construction of the Norwich helipad was completed during the year and the cost of this asset was transferred to long leasehold land & buildings - Norwich base.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

12. Tangible fixed assets - Charity

	Long leasehold land & buildings - Norwich base	Short leasehold land & buildings - Cambridge base	Asset under construction - Norwich helipad	Plant & motor vehicles	Fixtures, fittings and computers	Medical & helicopter equipment	Total
	£	£	£	£	£	£	£
Cost							
At 1 July 2022	6,317,667	2,018,254	137,115	553,036	471,760	1,095,992	10,593,824
Additions	-	12,922	63,532	141,578	-	87,313	305,345
Transfers	200,647	-	(200,647)	-	-	-	-
Disposals	-	-	-	(44,604)	(7,938)	(66,493)	(119,035)
At 30 June 2023	6,518,314	2,031,176	-	650,010	463,822	1,116,812	10,780,134
Depreciation							
At 1 July 2022	178,393	700,216	-	420,641	333,243	719,124	2,351,617
Charge for the year	132,930	264,483	-	49,525	90,138	189,864	726,940
Eliminated on disposals	-	-	-	(44,604)	(7,937)	(63,034)	(115,575)
At 30 June 2023	311,323	964,699	-	425,562	415,444	845,954	2,962,982
Net book value							
At 30 June 2023	6,206,991	1,066,477	-	224,448	48,378	270,858	7,817,152
At 30 June 2022	6,139,274	1,318,038	137,115	132,395	138,517	376,868	8,242,207

Construction of the Norwich helipad was completed during the year and the cost of this asset was transferred to long leasehold land & buildings - Norwich base.

13. Fixed asset investments

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Market value at 1 July 2022	10,506,084	11,325,644	10,506,084	11,325,644
Disposals	-	(500,000)	-	(500,000)
Net gain/(loss) on revaluation	8,593	(319,559)	8,593	(319,559)
Market value at 30 June 2023	10,514,677	10,506,085	10,514,677	10,506,085
Investment in subsidiary at 1 July 2022 and 30 June 2023	-	-	2	2
Carrying value at 30 June 2023	10,514,677	10,506,085	10,514,679	10,506,087
Investments at fair value comprise:				
Equities	10,514,677	10,506,085	10,514,677	10,506,085
Total	10,514,677	10,506,085	10,514,677	10,506,085

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

13. Fixed asset investments (continued)

Investments at fair value represent investments in the Newton Growth and Income Fund For Charities and BNY Mellon Real Return Fund. The fair value is determined by reference to the market value at the balance sheet date.

The Charity holds 2 shares of £1 each in its wholly owned subsidiary company East Anglian Air Ambulance (Trading) Limited (company number 04136827) which is incorporated in the United Kingdom. The company runs a lottery, operates Raffle Draws and sells merchandise. The profits of the company are donated to the East Anglian Air Ambulance by Gift Aid.

The summary financial performance of the subsidiary is:

	2023	2022
	£	£
Turnover	7,080,692	6,692,671
Expenditure	(1,552,863)	(1,699,281)
Bank interest receivable	7,256	815
Profit	5,535,085	4,994,205
Amount donated to East Anglian Air Ambulance by Gift Aid	5,535,085	4,994,205
Net assets	2,881	2,881

14. Stocks

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Retail goods for resale	12,144	13,807	-	-
Drugs and medical consumables	95,698	94,923	95,698	94,923
	107,842	108,730	95,698	94,923

15. Debtors

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Trade debtors	37,848	23,569	33,857	22,538
Amount due from subsidiary undertakings	-	-	1,726,942	3,455,513
Other debtors	989	271	915	-
VAT	124,028	349,768	124,771	350,356
Prepayments	770,396	841,606	764,541	628,372
Accrued income	6,478,215	5,706,091	6,314,090	5,706,091
	7,411,476	6,921,305	8,965,116	10,162,870

Accrued income includes accrued legacy income of £6,168,621 (2022: £5,164,461).

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

16. Creditors: amounts falling due within one year

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Trade creditors	597,398	679,364	558,197	645,254
Taxation and social security	109,565	94,400	109,565	94,400
Accruals and deferred income	948,894	1,045,237	487,693	470,161
Other creditors	5,924	8,860	3,324	2,760
	<u>1,661,781</u>	<u>1,827,861</u>	<u>1,158,779</u>	<u>1,212,575</u>

Included within accruals and deferred income is £448,404 (2022: £556,503) relating to income from lottery ticket sales received in advance. This relates to monies received before the year end for draws held at later dates. Deferred income from 2022 of £590,191 (2022: deferred income from 2021 of £532,596) has been credited to the Statement of Financial Activities during the year.

17. Analysis of charitable funds

Analysis of movements in unrestricted funds

Year ended 30 June 2023

	Balance at 1 July 2022	Income	Expenditure	Transfers	Investment gains	Balance at 30 June 2023
	£	£	£	£	£	£
General Fund	27,153,147	16,830,560	(16,454,874)	351,466	8,593	27,888,892
Designated Planned Capital Expenditure Fund	<u>1,792,017</u>	<u>1,359,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,151,345</u>
	<u>28,945,164</u>	<u>18,189,888</u>	<u>(16,454,874)</u>	<u>351,466</u>	<u>8,593</u>	<u>31,040,237</u>

Transfers to the General Fund comprise amounts capitalised on the balance sheet of £330,909 (being £257,467 from the Medical Equipment Fund, £63,532 from the Helipad Fund and £9,910 from the Research Fund) and revenue costs of £20,557 from the Medical Equipment Fund.

Year ended 30 June 2022

	Balance at 1 July 2021	Income	Expenditure	Transfers	Investment losses	Balance at 30 June 2022
	£	£	£	£	£	£
General Fund	26,465,289	16,158,745	(15,567,670)	416,342	(319,559)	27,153,147
Designated Planned Capital Expenditure Fund	<u>400,000</u>	<u>1,392,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,792,017</u>
	<u>26,865,289</u>	<u>17,550,762</u>	<u>(15,567,670)</u>	<u>416,342</u>	<u>(319,559)</u>	<u>28,945,164</u>

The transfer to the General Fund comprises amounts capitalised on the balance sheet of £381,607, being £92,347 from the Medical Equipment Fund, £137,115 from the Helipad Appeal Fund, £33,582 from the CPR Training Fund and £118,563 from HM Treasury Capital Fund.

Revenue costs incurred in prior years of £34,735 have also been transferred to the General Fund from the Medical Equipment Fund.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

17. Analysis of charitable funds (continued)

Analysis of movements in restricted funds Year ended 30 June 2023

	Balance at 1 July 2022	Income	Expenditure	Transfers	Balance at 30 June 2023
	£	£	£	£	£
Medical Equipment Fund	157,185	289,594	(95,092)	(275,139)	76,548
CPR Training Fund	146,206	26,325	(137,098)	(2,885)	32,548
Research Fund	5,000	38,874	(386)	(9,910)	33,578
Missions Fund - Bedfordshire	-	65,000	(65,000)	-	-
Helipad Fund	72,885	-	-	(63,532)	9,353
	381,276	419,793	(297,576)	(351,466)	152,027

Transfers from restricted funds to the General Fund comprise £278,024 from the Medical Equipment Fund, £9,910 from the Research Fund and £63,532 from the Helipad Fund.

A transfer of £2,885 was made from the CPR Training Fund to the Medical Equipment Fund.

Year ended 30 June 2022

	Balance at 1 July 2021	Income	Expenditure	Transfers	Balance at 30 June 2022
	£	£	£	£	£
Medical Equipment Fund	169,226	167,127	(52,086)	(127,082)	157,185
CPR Training Fund	-	179,788	-	(33,582)	146,206
Research Fund	-	5,000	-	-	5,000
HM Treasury Capital Fund	118,563	-	-	(118,563)	-
Helipad Fund	-	210,000	-	(137,115)	72,885
	287,789	561,915	(52,086)	(416,342)	381,276

All transfers were to the General Fund, as shown in the analysis of movements in unrestricted funds above and represent where restricted funds have been spent in accordance with the restrictions placed upon them.

Fund descriptions

(a) General funds

These represent the tangible fixed assets and 'free reserves' of the group excluding designated funds.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

17. Analysis of charitable funds (continued)

(b) Designated funds

Designated funds are established by the Trustees to mitigate certain risks or where significant investment is required in specific projects during the next five years.

Planned Capital Expenditure Fund

This designated fund has been established to ensure the Charity can contribute towards the cost of capital projects planned during the next five years. Historically, the Charity has allocated up to 25% of legacy income to this fund, as funds allow. The fund may also be enhanced by transfers from the General Fund, at the discretion of the Trustees, where the financial results permit.

	£
Fund balance at 1 July 2022	1,792,017
25% of legacy income	1,359,328
Fund balance at 30 June 2023	3,151,345

(c) Restricted funds

Medical Equipment Fund

This fund represents donations received towards the purchase of medical equipment. Once the equipment has been purchased the cost is transferred back to unrestricted funds. The balance carried forward at 30 June 2023 is £76,548 (2022: £157,185).

CPR Training Fund

This fund represents donations received towards providing bystander CPR training. The balance carried forward at 30 June 2023 is £32,548 (2022: £146,206).

Research Fund

This fund comprises donations received towards the cost of conducting research into the use of balloon catheters for out-of-hospital cardiac arrest. The balance at 30 June 2023 is £33,578 (2022: £5,000).

HM Treasury Capital Fund

This fund comprised funding receivable from HM Treasury towards the new Norwich base, the purchase of Rapid Response Vehicles and night vision goggles. The balance carried forward at 30 June 2023 is £nil (2022: £nil).

Missions fund - Bedfordshire

This fund relates to a donation towards the cost of providing missions within the county of Bedfordshire. This income was spent during the year and the balance carried forward at 30 June 2023 was therefore £nil.

Helipad Fund

This fund comprises income received towards the cost of construction of a second helipad at the Norwich base. The balance carried forward at 30 June 2023 is £9,353 (2022: £72,885).

18. Analysis of group net assets between funds

At 30 June 2023

	General Fund	Designated Funds	Restricted Funds	Total
	£	£	£	£
Fixed asset investments	10,514,677	-	-	10,514,677
Tangible fixed assets	7,817,152	-	-	7,817,152
Stock	107,842	-	-	107,842
Debtors	7,411,476	-	-	7,411,476
Bank	3,699,526	3,151,345	152,027	7,002,898
Creditors	(1,661,781)	-	-	(1,661,781)
Fund balances at 30 June 2023	27,888,892	3,151,345	152,027	31,192,264

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

18. Analysis of group net assets between funds (continued)

At 30 June 2022

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Fixed asset investments	10,506,085	-	-	10,506,085
Tangible fixed assets	8,242,207	-	-	8,242,207
Stock	108,730	-	-	108,730
Debtors	6,921,305	-	-	6,921,305
Bank	3,202,681	1,792,017	381,276	5,375,974
Creditors	(1,827,861)	-	-	(1,827,861)
Fund balances at 30 June 2022	27,153,147	1,792,017	381,276	29,326,440

19. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Land & buildings 2023 £	Aircraft 2023 £	Motor vehicles 2023 £	Total 2023 £
Operating leases expiring:				
Not later than one year	2,844	5,649,684	13,960	5,666,488
Later than one and not later than five years	-	21,186,315	18,323	21,204,638
Later than five years	-	-	-	-
	2,844	26,835,999	32,283	26,871,126

	Land & buildings 2022 £	Aircraft 2022 £	Motor vehicles 2022 £	Total 2022 £
Operating leases expiring:				
Not later than one year	2,844	5,238,336	-	5,241,180
Later than one and not later than five years	-	20,953,344	-	20,953,344
Later than five years	-	3,928,752	-	3,928,752
	2,844	30,120,432	-	30,123,276

Under the terms of the contract, lease payments for the provision of the aircraft are linked to various indices. As a result of this amounts payable in the future may fluctuate.

20. Trustees indemnity insurance

During the year the Charity purchased an insurance policy which is designed specifically for Charity Trustees. The cost of this policy for the year was £2,314 (2022: £2,592).

21. Company status

The Company is limited by guarantee. In the event of winding up, each member is liable to contribute a sum not exceeding £1.

East Anglian Air Ambulance

Notes to the Financial Statements

Year ended 30 June 2023

22. Surplus of the Charity (parent company)

A surplus of £1,865,824 (2022: £2,173,362) has been recognised in the accounts of the Charity. The Charity is not required to produce its own profit and loss account because of the exemption provision in Section 408 of the Companies Act 2006.

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income for the year	1,865,824	2,173,362
Income received from investments	(240,217)	(185,991)
Depreciation of tangible fixed assets	726,940	740,168
Net (gains)/losses on investments	(8,593)	319,559
Bank interest received	(18,697)	(896)
Profit on disposal of tangible fixed assets	(3,278)	(2,458)
Decrease in stocks	888	40,059
Increase in debtors	(490,171)	(1,057,866)
(Decrease)/increase in creditors	(166,080)	9,222
Net cash flows from operating activities	1,666,616	2,035,159

24. Related party transactions

The Charity entered into the following transactions with East Anglian Air Ambulance (Trading) Limited during the year:

	2023 £	2022 £
Profits Gift Aided to Charity	5,535,085	4,994,205
Staff costs recharged by Charity	198,049	161,211
Balance owed to Charity at the year end	1,726,942	3,455,513

The Charity received donations totalling £18,750 (2022: £5,000) from Charitable Trusts and other entities connected to a Trustee.

The Charity purchased services amounting to £2,490 (2022: £6,737) from Mills & Reeve LLP, a business in which D Astill has an interest. The balance owed to that business at 30 June 2023 was £nil (2022: £3,904).

25. Financial Instruments

The carrying amounts of the group and charity's financial instruments are as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Financial assets				
Measured at fair value through net income	10,514,677	10,506,085	10,514,677	10,506,085

26. Capital commitments

The Charity had capital commitments at 30 June 2023 of £nil (2022: £68,754).