

Charity Registration No. 01161153

Company Registration No. 09391251 (England and Wales)

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Ms L Campbell Ms S J Gurney Ms H L Sebright Mr M P Jeffery Mr A Fawsitt
Charity number	01161153
Company number	09391251
Registered office	50 High Street Henley in Arden Warwickshire B95 5AN
Auditor	BDO LLP 35 Calthorpe Road Edgbaston Birmingham B15 1TS
Bankers	Lloyds Bank 9-11 Poplar Road Solihull West Midlands B91 3AN Handelsbanken Enfield Nicholas House River Frond London EN1 3TF
Legal Advisors	BDB Pitmans 50 Broadway London SW1H 0BL

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
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ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCE UK) CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Charity has enjoyed a good year with some considerable achievements in profile, fundraising and governance.

The working name of the Charity was changed in July, following consultation with partners, to Air Ambulances UK (AAUK). This is more memorable, better describes what the Charity does and, following Charity Commission guidance, avoids any confusion with our sister organisation, the Association of Air Ambulances (AAA). The name change supported the introduction of a new brand identity and website to further reinforce the identity of the Charity and its simple purpose for existing and potential donors.

Lengthy consultation with local air ambulance charities and corporate partners has produced an exciting brand identity and a website and other collateral that capture the important work carried out by air ambulance charities all over the UK, that we exist to support.

The third and final year of our partnership with Allianz exceeded expectations in terms of both fundraising and employee engagement. Many employees voted to continue our partnership and we hope to work with Allianz again in the future.

We were proud to be selected by the High Chief Ranger of Foresters Friendly Society to be the charity partner during her year of office and enjoyed building relationships with its members. Two other major partnerships began in 2018 with the Valuation Office Agency and Communisis.

The success of these and other partnerships is due to the work of the Corporate Partnerships Development Manager, the charity's first employee.

Relationships with the local air ambulance charities has also improved with the sustained engagement from this key member of staff.

Trustees reviewed the structure, governance and operations of the Charity with advice from independent external experts and lawyers. We are satisfied that the charity is well founded and governed to support future expansion. Work has been done to ensure the new requirements on data privacy and security have been met and are understood by trustees and staff. This work continues in 2019 to ensure appropriate data sharing agreements are in place with all local air ambulance charities.

The charity benefits from the knowledge and experience of its trustees who are generous with the time they commit to its work. The breadth of experience from trustees brings a diversity of expertise to enable better decisions by the Board. The trustees are fully committed to ensuring the Charity is efficient and effective and always mindful of donors' wishes and its commitment to public benefit through support to local air ambulance services.

We are confident the charity can continue to deliver additional funds to aid the provision of pre-hospital critical care to the public.

On behalf of the board



Ms L Campbell
Independent Chairman AAAC
1 April 2019

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

The trustees, who are also the directors of Association of Air Ambulances (Charity) Ltd for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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;
- 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 charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2018**

The trustees present their report and financial statements for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objectives of the charity are specific:

'To relieve sickness and injury in the UK by assisting in the provision of financial support to established local air ambulance services'.

Public Benefit

The Trustees confirm that they have paid due regard to the guidance given by the Charity Commission on public benefit. The Charity distributes the money it collects twice a year to the 21 Air Ambulance charities that use an aircraft to provide emergency medical services to the public. The disbursements from the AAUK enable these charities to continue to improve delivery of services to anyone in the UK who needs them.

Grant making policy

The Charity has reviewed its grant making policy this year to ensure it achieved its object for the public benefit to improve lifesaving emergency services and to improve transparency.

As envisaged by the object, the Directors' intention is primarily to support the local air ambulance services.

The Directors consider that the most efficient and effective way of furthering this purpose is by making grants to organisations registered with the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator or the Charity Commission for Northern Ireland which operate a free helicopter emergency service and are tasked by one or more NHS Ambulance Trusts for that purpose ('Air Ambulance Charities'). No grants will be distributed to beneficiaries unless they are Air Ambulance Charities.

It works closely with these recognised air ambulance charities of the UK who deliver the UK air ambulance prehospital advanced critical care services.

The Charity shall request donors to state whether they wish their donation to be distributed equally between all Air Ambulance Charities, to the Air Ambulance Charities in a specific region, or to one or many individually named Air Ambulance Charities.

In the absence of a donor instruction, the donation will be distributed equally between all Air Ambulance Charities, subject to the due diligence provisions below.

Where an Air Ambulance Charity does not satisfy any of the due diligence requirements outlined below, the Directors may refrain from making grants to it. The Directors may either:

- Distribute the money equally amongst all other eligible Air Ambulance Charities; or
- Hold the money pending the outcome of any investigation (including investigations by a relevant regulatory body) or pending further enquiries by the Directors, at which point it shall either be distributed to the Air Ambulance Charity or distributed equally amongst all other Air Ambulance Charities.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Directors shall distribute all income received within the year to Air Ambulance Charities, with the exception of:

- The proper costs of the Charity, which are deducted before grants are distributed to beneficiaries in accordance with the Charity's administrative charging policy, including charges recompensed to a local air ambulance charity as a result of agreed support;
- Any funds which the Directors consider should be held in reserve in order to comply with the Charity's reserves policy; and
- Money held by the Charity pending the outcome of any investigation into a potential beneficiary

The Directors meet twice a year, generally in December and May, to consider the award of grants. Details of grants made by the Charity in the year can be found at note 7 to these financial statements.

Achievements and performance

During 2018 the Charity achieved a period of significant development towards its aim of increasing funds raised from national fundraising partnerships, including:

- appointment of a Corporate Partnerships Development Manager
- delivery of a new brand strategy, strategically positioning the Charity to better attract and engage potential/existing national partners
- introduction of our new Air Ambulances UK working name, brand identity and supporting brand assets
- launch of a content-rich new website enjoying a 400% increase in visitor traffic
- new social media channels achieving a combined 2,700% increase in visitors
- delivery of the Charity's first CRM tool, enabling it to more strategically manage relationships with all partners
- implementation of bi-monthly National Fundraising Meetings bringing together the vast wealth of experience from the fundraising and communications professionals of our 21 beneficiary air ambulance charities, achieving more through collaboration
- development of a 'Tap for Change' trial, introducing contactless card donations devices in response to the migration towards cashless offices/cashless giving
- initial plans to introduce a dedicated Air Ambulances UK partnership app and template website portal aimed at harnessing the growth in digital giving in order to maximise income from each partnership

Our achievements have been warmly welcomed by beneficiaries and partners, and far better position the Charity to achieve its aim of increasing the income over the next five years.

While development has moved at an exciting and efficient pace, the Charity has also enjoyed a successful year in performance with three of its national partnerships meeting or exceeding fundraising targets:

- Allianz £1,000,000+
- Forester's Friendly Society £50,000+
- MRH Retail ~£900,000 (this partnership was enabled nationally but the funds disbursed by MRH direct to local charities)

Two new national partnerships have been formed:

- Valuation Office Agency
- Communisis

The total number of partners managed during 2018:

- 10 major corporate partners
- 13 smaller corporate partners and other organisations

Total income for 2018 was £487,469 (£577,790 in 2017). This can be attributed to the natural culmination of set-term Charity of the Year partnerships in 2018. New partnerships to replace those concluded in 2018 are anticipated throughout 2019.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2018

Financial review

The Charity's income has fallen this year to £487,469 from £577,790 in the previous year. The fall is attributable to a number of corporate partnerships coming to an end, the Charity focussing on developing its new brand and strategy before commencing on new partnerships in 2019.

In 2018 the Charity recruited its first employee, the Corporate Partnerships Manager, and embarked upon a more proactive approach to fundraising. This is reflected in the expenditure on raising funds of £44,943 (2017: £Nil) which includes one-off costs incurred in brand, website, and database development. This expenditure was offset by a reduction in the management charge from the Association of Air Ambulances Ltd from £90,000 in 2017 to £30,185 in 2018 (reported in Charitable activities)

Charitable expenditure increased to £817,517 from £579,192 in 2017. This is mostly due to the increase in amounts distributed to air ambulance services, £738,606 increased from £459,144, and partly reflects a change in policy to report distributions in the year awarded by trustees rather than at the time of payment.

Funds

The Charity's total funds at 31st December 2018 were £106,057 (2017: £481,048). The fall in funds is due to the lower income and the change in how distributions are reported. In 2018 all restricted funds received and brought forward from 2017 were distributed leaving a £Nil balance. The balance of £106,057 (2017: £400,534) therefore represents the Charity's free reserves.

Reserves Policy

The Charity has developed a reserves policy that identifies and plans for the maintenance of the primary activity, the support of the local air ambulance services, and reflects the risks associated with the Charity's business model, spending commitments, potential liabilities and financial forecasts.

The Board reviews the reserves policy at the end of every financial year in order to assess its validity in light of current circumstances. In 2018 the Board resolved to

- a. Hold a minimum reserve of £60,000 to cover approximately six months operating costs
- b. This year and in future at its December meeting award a total distribution to the air ambulance services equal to the surplus income over costs in the first nine months of the year less the minimum reserve figure above and the value of any income represented by uncollected debtors at the time of the meeting.
- c. At its May meeting, award a total distribution to the air ambulance services equal to the surplus income over costs for the whole of the prior year less distributions awarded in the December and less the minimum reserve figure above and the value of any income represented by uncollected debtors at the time of the meeting.

Reference and administrative details

Charity number: 01161153
Company number: 09391251
Registered Office: 50 High Street, Henley in Arden, Warwickshire, B95 5AN

Our advisors

Auditors BDO LLP, 35 Calthorpe Road, Edgbaston, Birmingham, B15 1TS
Legal BDB Pitmans, 50 Broadway London SW1H 0BL
Bankers Lloyds Bank, 9-11 Poplar Road, Solihull, West Midlands B91 3AN
Handelsbanken Enfield, Nicholas House, River Frond, London EN1 3TF

The Charity has no investments and is required to distribute funds to its members as defined by the Articles of Association.

The Association distributed £738,606 in 2018 to 21 air ambulance charities. (2017 £459,144)

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Risk Assessment

The Trustees review the risks facing the Charity and the steps needed to mitigate them. The Board receives and discusses an annual report of identified risks and the control systems designed to respond to them.

A major risk facing the Charity is its ability to raise and maintain sufficient income to cover its costs and make significant distributions to the air ambulance services. The Charity is mitigating the risk by developing a robust fundraising strategy managed by a professional team and working closely in partnership with the air ambulance charities. The Board regularly reviews the income pipeline at its meetings.

The Charity works in partnership with AAA and also directly with local air ambulance charities. In the unlikely event that AAA should cease trading, the Charity could continue to thrive, through its established local relationships.

Risk Management

The Trustees have a Risk Policy and a Risk Register. Each Board Meeting assesses whether new risks have emerged or whether any of the identified risks have changed in severity. The whole register is reviewed at the September Board meeting. Trustees consider that the formulated plans to deal with such risks are appropriate at present.

The Company Secretary was an employee of AAA and this employment ceased in March 2018. The trustees have been waiting for AAA to determine their future plans on senior staff to understand if a similar arrangement can apply in the future.

The Charity holds liaison meetings every two months with representatives of all air ambulance charities to ensure engagement and working practices are understood and supported.

Going Concern

The Charity has a strong reserve position and has sufficient available resources, as demonstrated by the level of general funds above. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. Our cash deposits could easily be drawn down should working capital be required. We believe that there are no material uncertainties that call into doubt the Charity's ability to continue. The accounts have therefore been prepared on the basis that the Charity is a going concern.

Future Developments

With the delivery of the Charity's strategic plans for growth successfully well underway, during 2019 and beyond the Trustees intend to capitalise on these achievements with clear focus on increasing income through:

- Securing new national partnerships
- Retaining and developing existing national partnerships
- Diversifying the types of organisations actively targeted to include national media
- Broadening income types to include sponsorship and affinity -based relationships, as well as more traditional Charity of the Year partnerships, in order to achieve the best possible consistency in ROI
- Building even closer relationships with our 21 beneficiary air ambulance charities in order to achieve more through UK-wide collaborative projects
- Raising the national profile of Air Ambulances UK and the work of the whole air ambulance sector
- Ensuring the Charity adheres to the highest standards of Governance, ensuring the confidence of donors and our beneficiary air ambulance charities

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Structure, governance and management

Governing document

The Association of Air Ambulances (Charity) Ltd is a Company Limited by Guarantee registered at the Charity Commission for England and Wales. It is governed by its Memorandum and Articles of Association.

Constitution

The Charitable Company was incorporated on 15 January 2015 and registered at the Charities Commission on 1 April 2015. The liability of each member is restricted to a sum not exceeding £10.

The Board of Trustees meets quarterly receiving reports from its contracted accountants and members of staff. During these meetings the Risk Audit, Management Accounts, Activities and Reports are presented and debated with Trustees taking decisions as needed. A policy of delegated authority exists which allows the day to day running of the Charity to be managed between the staff and independent Trustees. Decisions are made after discussions and consultations in their meetings

An annual Board Away day is held to ensure Trustees receive the required level of training and development, this event also allows the Board of Trustees to reflect on the strategy and tactical operation of the Charity. Any training needs identified are then factored into the Business Plan and Budget as required.

The Board of Trustees agrees annually the budget of the Charity. The charity appointed its first member of staff in March 2018, the Corporate Partnership Development Manager. Her role is to foster national corporate relationships and develop a close working relationship with all the 21 local air ambulance charities and the staff of the AAA. Her work is supervised by a designated trustee and she reports directly to the Board of trustees. Other essential administrative support is contracted from the secretariat of the AAA.

In 2018 the Board reviewed the structure and governance of the Charity using external independent experts and lawyers. The majority of their recommendations have been incorporated into the Charity's policies and operations during the year and work continue in 2019 to fully implement recommendations. In particular, the Trustees have made changes to meet the new requirements of GDPR and protect data privacy and security.

Directors and Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms L Campbell

Ms S J Gurney

Ms H L Sebright

Mr M P Jeffery

Mr A Fawsitt

Ms P B Martin

(Resigned 31 May 2018)

The Trustees await the nomination of a new trustee from Association of Air Ambulances (AAA) to replace Paula Martin. Overall control of the Charitable Company is with Trustees.

Trustee induction and training

The recruitment of Trustees is led by an audit of the skills held by the members of the Board. 3 members of the Board are appointed by the Association of Air Ambulances (AAA) and in this case the Charity identifies to AAA the skills and experience that would be helpful to the Board but the decision on the appointment is made by AAA.

Other Directors and the Chairman are appointed by an open recruitment process using both search and advertisement as appropriate, against an agreed person profile and job specification. Shortlisted candidates are interviewed by a panel of Board Members and a recommendation made to the Board. The AGM of the Charity confirms all appointments.

New Trustees undergo a formal induction process covering, governance, risk management, financial systems and agreed procedures.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Auditor

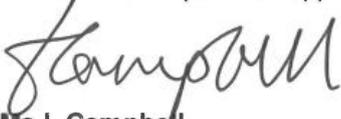
On 1 February 2019 Moore Stephens LLP merged its business with BDO LLP. As a result, Moore Stephens LLP has resigned as auditor and the directors have appointed BDO LLP as auditor in their place.

Disclosure of information to auditor

In so far as the trustees are aware:

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

The trustees' report was approved by the Board of Trustees.



Ms L Campbell

Independent Chair

Dated: 1 April 2019

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD

Opinion

We have audited the financial statements of Association of Air Ambulances (Charity) Ltd ('the charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, 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 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 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.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 determines 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 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 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

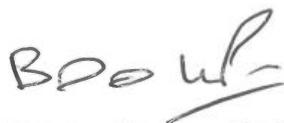
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Simkins (Senior Statutory Auditor)
for and on behalf of BDO LLP, statutory auditor

11 April 2019

35 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>					
Donations and legacies	3	374,876	112,093	486,969	577,790
Other income	4	500	-	500	-
Total income		375,376	112,093	487,469	577,790
<u>Expenditure on:</u>					
Raising funds	5	44,943	-	44,943	-
Charitable activities	6	624,911	192,606	817,517	579,192
Total resources expended		669,854	192,606	862,460	579,192
Net expenditure for the year/ Net movement in funds		(294,478)	(80,513)	(374,991)	(1,402)
Fund balances at 1 January 2018		400,535	80,513	481,048	482,448
Fund balances at 31 December 2018		106,057	-	106,057	481,046

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	18		36,055		(76,863)
Investing activities					
Purchase of tangible fixed assets		(2,349)		-	
Net cash used in investing activities			(2,349)		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			33,706		(76,863)
Cash and cash equivalents at beginning of year			416,355		493,218
Cash and cash equivalents at end of year			<u>450,061</u>		<u>416,355</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
BALANCE SHEET**

AS AT 31 DECEMBER 2018

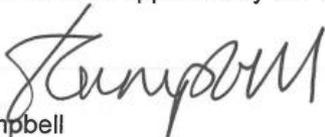
	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	11		1,696		-
Current assets					
Debtors	13	11,941		92,121	
Cash at bank and in hand		450,061		416,355	
		<u>462,002</u>		<u>508,476</u>	
Creditors: amounts falling due within one year	14	<u>(357,641)</u>		<u>(27,430)</u>	
Net current assets			104,361		481,046
Total assets less current liabilities			<u>106,057</u>		<u>481,046</u>
Income funds					
Restricted funds	15		-		80,512
Unrestricted funds			106,057		400,534
			<u>106,057</u>		<u>481,046</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The accounts were approved by the Trustees on 1 April 2019


Ms L Campbell
Independent Chair

Company Registration No. 09391251

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies

Charity information

Association of Air Ambulances (Charity) Ltd is a private company limited by guarantee incorporated in England and Wales, company number: 09391251. The registered office is 50 High Street, Henley in Arden, Warwickshire, B95 5AN.

The Association of Air Ambulances (Charity) Ltd is a facilitator for all air ambulance charities that have contractual rights over a helicopter used for emergency medical missions. It is reactive yet responsive to donors who wish to donate to multiple air ambulance charities.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity meets the definition of a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constrictive obligation to pay for expenditure. The Charitable Company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

Charitable expenditure comprises those costs incurred in the delivery of its activities and services for the 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 costs associated with meeting the constitutional and statutory requirements of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Donations and gifts	327,639	112,093	439,732	528,074
Legacies receivable	47,237	-	47,237	49,716
	<u>374,876</u>	<u>112,093</u>	<u>486,969</u>	<u>577,790</u>
For the year ended 31 December 2017	<u>458,109</u>	<u>119,681</u>		<u>577,790</u>

4 Other income

	Unrestricted funds	Total
	2018 £	2017 £
Other income	500	-
	<u>500</u>	<u>-</u>

5 Raising funds

	Unrestricted funds	Total
	2018 £	2017 £
<u>Fundraising and publicity</u>		
Staff costs	36,268	-
Depreciation and impairment	653	-
Support costs	8,022	-
	<u>44,943</u>	<u>-</u>
Fundraising and publicity	<u>44,943</u>	<u>-</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

6 Charitable activities

	2018	2017
	£	£
Management charge from Association of Air Ambulances Limited (see note 15)	30,185	90,000
Distributed to air ambulance services in furtherance of charitable activities (see note 7)	738,606	459,144
Share of support costs (see note 8)	38,896	23,318
Share of governance costs (see note 8)	9,830	6,730
	<u>817,517</u>	<u>579,192</u>
Analysis by fund		
Unrestricted funds	624,911	
Restricted funds	192,606	
	<u>817,517</u>	
For the year ended 31 December 2017		
Unrestricted funds		440,023
Restricted funds		139,169
		<u>579,192</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

7 Distributed to air ambulance services in furtherance of charitable activities

	2018 £	2017 £
Grants to institutions:		
Cornwall Air Ambulance Trust	27,411	15,822
Devon Air Ambulance Trust	27,735	16,183
Dorset and Somerset Ambulance Trust	52,504	16,126
East Anglian Air Ambulance	31,323	36,333
Essex and Herts Air Ambulance	34,748	16,468
Great North Air Ambulance	28,278	36,645
Great Western Air Ambulance Service	41,283	36,150
Hampshire and Isle of Wight Air Ambulance	42,705	16,242
Kent, Surrey and Sussex Air Ambulance Trust	81,604	26,732
Lincs and Notts Air Ambulance Charitable Trust	27,588	15,899
London's Air Ambulance	49,658	18,352
MAGPAS	27,480	16,050
North West Air Ambulance Charity	37,116	18,542
Midlands Air Ambulance Charity	31,385	16,227
Scotland's Charity Air Ambulance	31,446	16,750
Thames Valley Air Ambulance	29,274	17,244
The Air Ambulance Service	26,796	16,548
Wales Air Ambulance Charity	27,411	37,938
Wiltshire Air Ambulance	26,818	15,885
Yorkshire Air Ambulance	27,915	36,966
Air Ambulance Northern Ireland	28,128	16,042
	<u>738,606</u>	<u>459,144</u>

The trustees have decided to include within the distributions above £325,655 in grants to the associations listed above which is payable in January 2019. This amount relates to the distribution of donations received in 2018. The distribution was made on 25 January 2019.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Travel and subsistence	7,011	-	7,011	5,976	Direct
Bank charges	274	-	274	208	Direct
Advertising and marketing	10,250	-	10,250	-	Direct
Postage, stationery and telephone	1,568	-	1,568	4,002	Direct
Legal and professional fees	15,241	-	15,241	394	Direct
IT, film and website costs	8,099	-	8,099	7,873	Direct
Insurance	317	-	317	600	Direct
Board and committee meetings	1,669	-	1,669	2,976	Direct
Recruitment costs	-	-	-	275	Direct
General expenses	2,489	-	2,489	1,014	Direct
Audit fees	-	9,830	9,830	6,730	Governance
	<u>46,918</u>	<u>9,830</u>	<u>56,748</u>	<u>30,048</u>	
Analysed between					
Fundraising	8,022	-	8,022	-	
Charitable activities	38,896	9,830	48,726	30,048	
	<u>46,918</u>	<u>9,830</u>	<u>56,748</u>	<u>30,048</u>	

Governance costs includes payments to the auditors of £3,312 (2017- £3,420) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year, expenses were reimbursed to Liz Campbell for the total amount of £501 (2017: £420) for travel costs.

During the year, expenses were reimbursed to Martin Jeffery for the total amount of £203 (2017: £nil) for travel costs.

During the year, expenses were reimbursed to Adam Fawsitt for the total amount of £1,193 (2017: £1,026) for travel costs, and £2,349 (2017: £nil) for fixed assets.

During the year, expenses were reimbursed to Paula Martin for the total amount of £238 (2017: £160) for travel costs.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Administrative staff	1	-
	<u> </u>	<u> </u>
Employment costs	2018	2017
	£	£
Wages and salaries	32,316	-
Social security costs	3,485	-
Other pension costs	467	-
	<u> </u>	<u> </u>
	<u>36,268</u>	<u> </u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Computers £
Cost	
Additions	2,349
	<u> </u>
At 31 December 2018	2,349
	<u> </u>
Depreciation and impairment	
Depreciation charged in the year	653
	<u> </u>
At 31 December 2018	653
	<u> </u>
Carrying amount	
At 31 December 2018	1,696
	<u> </u>
At 31 December 2017	<u> </u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

12 Financial instruments	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	11,391	91,725
Instruments measured at fair value through profit or loss	450,061	416,355
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	356,346	27,430
	<u> </u>	<u> </u>
 Fair Value		
Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.		
 Amortised Cost		
Financial assets measured at amortised cost comprise of charitable donations awaiting collection.		
Financial liabilities measured at amortised cost comprise of trade and other creditors, and funds awaiting donation to charities.		
 13 Debtors		
	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	11,391	91,231
Other debtors	-	494
Prepayments and accrued income	550	396
	<u> </u>	<u> </u>
	11,941	92,121
	<u> </u>	<u> </u>
 14 Creditors: amounts falling due within one year		
	2018	2017
	£	£
Other taxation and social security	1,295	-
Trade creditors	1,101	18
Funds awaiting donation to charities	312,003	-
Other creditors	32,405	20,946
Accruals and deferred income	10,837	6,466
	<u> </u>	<u> </u>
	357,641	27,430
	<u> </u>	<u> </u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2018 £	Net incoming resources £	Net expenditure £	Balance at 31 December 2018 £
The Polo Charity	9,450	-	(9,450)	-
Allianz	71,063	75,087	(146,150)	-
Roadchef	-	26,452	(26,452)	-
Pascal Fournier	-	10,000	(10,000)	-
CIPFA business	-	555	(555)	-
	<u>80,513</u>	<u>112,094</u>	<u>(192,607)</u>	<u>-</u>

Allianz donations have been restricted in line with Allianz's online donation portal.

16 Analysis of net assets between funds

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:				
Tangible assets	1,696	-	1,696	-
Current assets/(liabilities)	104,361	-	104,361	481,046
	<u>106,057</u>	<u>-</u>	<u>106,057</u>	<u>481,046</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

17 Related party transactions

Key management personnel of the charity are considered to be the trustees. No employee benefits were received by the trustees or the charity's key management personnel for their services to the charity.

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Sale of goods and services		Purchase of goods and services	
	2018 £	2017 £	2018 £	2017 £
Association of Air Ambulances Limited	-	-	900	960
	-	-	900	960
	Management charges		Recharged expenses	
	2018 £	2017 £	2018 £	2017 £
Association of Air Ambulances Limited	30,185	90,000	773	1,606
	30,185	90,000	773	1,606

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2018 £	2017 £
Association of Air Ambulances Limited	10,692	20,946
	10,692	20,946

During the year the following charities received grants from the Association of Air Ambulances (Charity) Limited. The charities had common trustees/management during the year as noted below:

Midlands Air Ambulance Charity - Hanna Sebright. Amount distributed in the year: £27,411 (2017: £16,050). This amount includes £877 of restricted donations.

Essex and Herts Air Ambulance - Jane Gurney. Amount distributed for in the year: £34,748 (2017: £16,468). This amount includes £8,214 of restricted donations.

Cornwall Air Ambulance Trust - Paula Martin. Amount distributed for in the year: £31,385 (2017: £15,822). This amount includes £4,851 of restricted donations.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCE UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

18 Cash generated from operations	2018	2017
	£	£
Deficit for the year	(374,991)	(1,402)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	653	-
Movements in working capital:		
Decrease/(increase) in debtors	80,180	(92,121)
Increase in creditors	330,213	16,660
Cash generated from/(absorbed by) operations	36,055	(76,863)

