

Charity Registration No. 1161153

Company Registration No. 09391251 (England and Wales)

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD

(OPERATING AS AIR AMBULANCES UK)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Trustees	Mr D Brown Ms A L Perry Mr J M Christensen Mr T D Howard Mrs H Benjamin (Chair of Trustees) Mrs A C McLean Mr A D Welch Dr M Williams Ms C Ashby Walters	(Appointed 23 March 2020) (Appointed 1 April 2020) (Appointed 1 April 2020) (Appointed 1 April 2020) (Appointed 1 October 2020) (Appointed 1 October 2020)
Charity number	1161153	
Company number	09391251	
Registered office	One Bartholomew Close London EC1A 7BL	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER	
Bankers	Handelsbanken 3 Thomas More Square London E1W 1WY Lloyds Bank (due to be closed during 2021) 9-11 Poplar Road Solihull West Midlands B91 3AN	
Legal Advisors	BDB Pitmans One Bartholomew Close London EC1A 7BL	

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCES UK) CONTENTS

	Page
Chairman's statement	1 - 2
Trustees' report	3 - 11
Statement of Trustees' responsibilities	12
Independent auditor's report	13 - 16
Statement of financial activities	17
Consolidated balance sheet	18
Charity balance sheet	19
Consolidated statement of cash flows	20
Notes to the financial statements	21 - 37

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCES UK) CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

As I reflect on 2020, it is difficult to imagine a more extraordinary year for our Charity, but one which has drawn together all in the sector and facilitated an extensive collaboration between members, government representatives and a range of stakeholders.

We began the year celebrating our successful acquisition of the former professional trade body, the Association of Air Ambulances, which became a wholly owned subsidiary of AAUK, with effect from 01 January 2020.

While our small but highly effective team began working together, much detailed governance work continued at pace to combine the management and activities of both organisations. This culminated with the appointment of myself as the new independent Chair, and a new Board of Trustees being ratified by the Charity's AGM on 01 April 2020, signalling the start of a whole new era.

During this period, it was not only our world that was changing; the arrival of the COVID-19 global pandemic, meant that the whole world was also changing around us. Little did we know just how monumental and far-reaching the ramifications would be 12 months hence, and the enormous challenges that this would present for AAUK and the air ambulance sector, both in terms of service delivery and in the fundraising environment.

During the early days of the pandemic, AAUK successfully built central Government relationships to secure £6M in vital emergency funding to support the UK's 21 air ambulance charities through the immediate challenges around increased operational cost and loss of fundraising income due to the pandemic.

By quickly adapting to new digital technologies, we also crucially enabled more engagement and sharing of information across the sector than has ever been experienced before through establishing virtual meetings, forums and webinars encompassing all areas of expertise across air ambulance charity team members. This has included our highly successful CEO forum whereby the CEOs of our air ambulance charity Members virtually meet fortnightly to discuss issues, share learning and exchange information for the benefit of all.

Responding to the effect of the pandemic on mental health, we entered into a partnership with 87% to introduce the first-ever wellbeing app available to all air ambulance charity team members across the UK. The highly successful app provides its users with a means to track, monitor and understand their own wellbeing and easily access support where required. The partnership is also enabling the sector to better understand the wellbeing trends of the sector and identify priority areas for support.

I must thank my fellow Trustees for all the additional meetings which were required to support our ability to lead through the many challenges we were facing and the diversity of thought which came into the boardroom to enable quick decision making to support the members.

During the course of the year we also continued to focus on governance, regularly reviewing our risks and income and expenditure, as well as implementing new policies and procedures as we remained agile in reacting to the challenges of the pandemic. This included amendments to our reserves policy and the closure of our head office in Warwickshire, moving to an entirely home-based working structure, as part of ensuring our ongoing financial resilience.

We continued to research and develop our national fundraising pipeline, particularly adapting to the challenges in corporate fundraising through diversifying and growing some of our other income channels.

In total we raised £6,296,452 in fundraising income during 2020, including £6M in central Government funding and a further £276,140 in other grants, donations and legacies.

We made distributions to our beneficiary 21 air ambulance charities totalling £6,007,132 during the course of 2020, the highest delivered in the history of the Charity.

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCES UK) CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

AAUK welcomed five new Trustees: three independent of association to an air ambulance charity, Claire Walters, Tim Howard and Matthew Williams as well as two elected members who are current serving CEOs of an air ambulance charity, Amanda McLean and David Welch. We have been lucky to have had continuity from John Christensen who was appointed as Senior independent Director and two elected members from the previous Air Ambulance Association board, Anna Perry and Daryl Brown. All bring a wealth of experience to the Board across operations and marketing, finance and clinical expertise, charitable governance, management, fundraising and delivery of air ambulance services.

We also said goodbye to our former Chair Liz Campbell and Trustees Jane Gurney, Patrick Peal, Martin Jeffrey and Adam Fawsitt. I would like to record my thanks for their valuable contributions to the Board over the past few years.

This year we also embarked upon the development of our new five-year strategy. This visionary and transformative piece of work was led by a team consisting of our Operations and Marketing Director Nikki Wright and elected Trustee David Welch, and supported by a consultant.

The framework of the strategy has been co-produced in continuous consultation with key stakeholders, ensuring throughout that it is aligned to the needs and priorities of our Members and beneficiaries and our exciting ambitions for the future.

The framework received widespread support from across our key stakeholders and will deliver a plan firmly based on collaboration, innovation and achieving excellence so that by working together we can enable air ambulance charities to deliver the best possible care in order to save even more lives and continually improve patient outcomes every day across the UK.

Another milestone step on this journey is the appointment of the Charity's first CEO in December 2020. Simmy Akhtar joined the team in 2021 and will be leading the delivery of the new five-year strategy and building on the great success that the Charity has achieved so far.

It is great testament to our hard working and passionate team, our experienced Board members, our generous donors, our highly valued Members, and our engaged beneficiaries that we have faced these challenges together, with tenacity and resilience in order to have achieved such great success this year in this quite extraordinary year

I am incredibly excited about the challenges ahead and have every confidence in our continued success during 2021.

H Benjamin

Mrs H Benjamin

Independent Chair of Trustees AAUK

Dated: 8 June 2021

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCES UK) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Articles of Association, the Companies Act 2006, the Charities Act 2011 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 (FRS102) (effective 1 January 2019)".

Objectives and activities

As part of the Charity's 2020 acquisition with the former professional trade membership body, the Association of Air Ambulance Ltd, its Memorandum and Articles, incorporated 15/01/2015, were amended on 31 December 2019 and 01 April 2020 to reflect the wider remit of its activities encompassing membership services.

Charitable objects

As amended 01 April 2020

The Charity's objects (Objects) are specifically restricted to relieving sickness and injury in the UK by: 1 assisting in the provision of financial and other support to established local air ambulance services, including, but not limited to making grants available to Air Ambulance Charities, NHS Trusts and ambulance Trusts; and 2 the delivery of related services to improve patient outcomes, including but not limited to the running of conferences and dissemination of information.

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 to the 21 Air Ambulance Charities that use an aircraft to provide emergency medical services to the public. The funds from the AAUK enable these charities to continue to improve delivery of services to anyone in the UK who needs them.

Fundraising activities

Air Ambulances UK raises funds from the public, from corporates as well as trusts and foundations.

- The charity undertakes fund-raising through our own internal resources with two members of staff, the Fundraising and Communications Manager throughout 2020 as well as the Head of Fundraising and Communications until March 2020, temporarily acting up into the role of Operations and Marketing Director as of April 2020. We do not commission a professional fund-raiser but have one commercial participator as a publishing group who abides by the Fundraising Regulator's Code of Fundraising Practice.
- The charity is registered with the Fundraising Regulator.
- The charity monitors fund-raising via quarterly Board meetings.
- The charity received no complaints about activities for the purpose of fund-raising in 2020. The charity has a fundraising complaints procedure in place.
- The charity has GDPR and safeguarding policies in place.
- The charity had support from a volunteer for 6 weeks during 2020, helping with fundraising administration. Our volunteers are subject to a Volunteer Agreement.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

AAUK works closely with these recognised Air Ambulance Charities of the UK which deliver the UK Air Ambulance prehospital advanced critical care services.

Donors can 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.

Trustees may decide to withhold distributions from beneficiaries if they are –

- a. Under-investigation by an official regulator or,
- b. Receipt of the distribution is judged likely to bring AAUK into disrepute
- c. Believed not to be adhering to the code of conduct

When distributions are withheld it is recommended that for –

- a. **Ordinary** distributions the amount that would have been paid is provided for in the accounts pending resolution
- b. **Extraordinary** distributions
 - i. the amount that would have been paid is provided for in the accounts pending resolution, or
 - ii. the beneficiary is informed of their ineligibility and removed from the process.

When deciding to withhold a distribution or exclude a beneficiary Trustees must have mind to the objective application of the criteria and must inform the beneficiary of their decision.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

During its first full year as a combined entity delivering both funding and membership services to the air ambulance sector, the Charity has achieved great success.

It has been instrumental in supporting its air ambulance charity Members through the COVID-19 pandemic, delivering more funding and collaboration across the sector than has perhaps been seen before.

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCES UK) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Some key highlights across the year include:

- Raising and distributing a total of over £6,000,000 in funding across our 21 air ambulance charity beneficiaries
- Attracting highly valued Members including 18 air ambulance charities, Airbus, Leonardo, BMW, British Helicopter Association and Specialist Aviation Services
- Enabling the highest-ever level of engagement across the air ambulance sector through harnessing technology to introduce virtual meetings, forums and webinars for ambulance charities to exchange information and share learning and advice across the UK for the benefit of all
- Increasing the profile of the air ambulance sector through launching the first-ever UK-wide integrated Air Ambulance Week campaign engaging millions around the country, supported by HRH Duke of Cambridge
- Introducing 'Webinar Week' with sector and industry-leading speakers bringing knowledge, insight and learnings to the air ambulance community
- Spearheading projects with Child Bereavement UK and 87% helping to support non-mandatory training and wellbeing of teams across the UK
- Beginning the process of achieving enhanced service evaluation with our collaborative NHS Digital project
- Liaising with other stakeholders across the UK in peer organisations to share experiences, including Maritime Coastguard agency, UKSAR, British Helicopter Association, National Ambulance Resilience Unit, Royal Air Force and Civil Aviation Authority
- Continuing to build our fundraising pipeline with a range of partnerships, particularly focussing on those with a national perspective, for which the individual charities are not eligible/do not meet criteria
- Continuing to build our profile and increase engagement levels across our website and social media channels
- Developing an exciting robust five-year strategy, coproduced with key stakeholders focussed on collaboration and innovation to enable air ambulance charities to save even more lives and continually improve patient outcomes

Although some of our other previous usual events and activities were unfortunately curtailed due to COVID-19, such as the face-to-face Members' Forums, our national conference and awards and national Operational and Clinical committees, we nonetheless saw an incredibly powerful step-change in the level of engagement and support. We will review how these events will evolve and learn from the new experiences we had to adapt during the Covid 19 pandemic experience.

Our achievements during the first year operating as a unified membership and fundraising charity for the air ambulance sector have been warmly welcomed by our Members, beneficiaries and partners.

Financial review

The Charity's total income has increased this year to £6,518,915 from £400,173 in the previous year. The income in 2020 includes income from donations and legacies (£6,296,452), other charitable activities from the wholly owned subsidiary Association of Air Ambulances Limited (AAA Ltd) for the first year as a combined entity (£126,218), the gift arising on acquisition of AAA Ltd (£94,967) as well as other income (£1,278).

The Charity's total fundraising income from donations and legacies this year was £6,296,452 rising significantly from the previous year (2019: £399,622).

This was as a result of securing £6M in central Government funding to support the UK's 21 air ambulance charities through the COVID-19 pandemic, alongside an additional £50,000 COVID-19 grant and a further £226,140 received in other grants, donations and legacies. There were also £20,312 donated goods and services (Air Ambulance Campaign and a webinar talk).

Of the £6M in Government funding, AAUK received a 1% share totalling £60,000 to support its operation through the challenges of COVID-19. Funds were used to deliver COVID-19 support to the air ambulance charities as well as associated COVID increased costs such as legal, insurance and audit activities.

The Charity's wholly owned subsidiary the AAA Ltd, received a total of £94,650 in Membership income.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The total number of Members was 27, including 18 air ambulance charities and nine other air ambulance sector organisations including Airbus, Leonardo, BMW, Specialist Aviation Services, Lottery Fundraising Services, Tower Lotteries and British Helicopter Association, NHS Partnership and Aeroptimo.

Combined total donations and legacies as well as membership income was £6,391,102.

Expenditure on raising charity funds (fundraising and publicity) increased from £109,857 in 2019 to £155,541 in 2020. Most of this increase is due to staff costs of £103,226 (2019: £80,936) resulting from a full year of the Fundraising and Communications Manager costs and the addition of a Finance Manager in October 2020, and additional support costs of unpaid voluntary services of £20,312 of Air Ambulance Campaign and a webinar talk.

Charitable activity costs of AAA Ltd of £123,483 with £43,058 staff costs as well as £80,153 support costs as main categories were added in 2020 following the acquisition.

Charitable expenditure increased to £6,167,568 from £271,090 in 2019, of which £6,007,132 was in the form of grants distributed to Air Ambulance Services. This was the result of the large amount of funding secured from central Government to support the charities through COVID-19. Before the acquisition, charitable activity costs referred to grants payable and a proportion of support and governance costs, whereas in 2020 this also includes the charitable activity costs of AAA Ltd

	2020	2019
Funds raised – excl. AAA Ltd charitable activities and gift arising on acquisition, but including unpaid voluntary services	£6,297,730	£400,173
Total distribution	£6,007,132	£232,939

Funds

The Charity's total funds at 31st December 2020 were £321,089 (2019: £125,283).

In 2020 a total of £6,007,132 restricted income was distributed through one ordinary and three extraordinary distributions.

Extraordinary distributions

May 2020 £50,000 COVID-19 Trust emergency grant
July 2020 £2,940,000 COVID-19 Government grant (Wave 1)
August 2020 £3,000,000 COVID-19 Government grant (Wave 2)

All restricted funds received in 2020 were distributed.

The balance of £321,089 (2019: £125,252) 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.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Ordinarily AAUK will distribute funds to its beneficiaries twice per year.

- a. An **interim** distribution based upon Q1-Q3 (January-September) income will be resolved upon at the December meeting of Trustees.
- b. A **final** distribution based upon the finalised accounts for the year (Q4) will be resolved upon at the following May/June meeting of Trustees.

Ordinary distributions will be determined as follows –

- a. **Restricted** funds will be distributed as per the restrictions stipulated.
- b. **Unrestricted** funds will be distributed amongst all beneficiaries (currently 21). The **amount** to be distributed will be guided by a consideration of –
 - i. Free reserves (i.e. Unrestricted funds less designated funds and fixed assets)
 - ii. Less a provision for six months running costs (fundraising, governance, and support costs). This six-month period may be extended at the full discretion of the Trustees in times that they judge to be difficult fundraising environments
 - iii. Less any debtors not yet received at the time of the decision.

Reference and administrative details

Charity number: 01161153

Company number: 09391251

Registered Office: One Bartholomew Close, London EC1A 7BL

Our advisors

Auditors: HW Fisher LLP

Legal: BDB Pitmans, One Bartholomew Close, London EC1A 7BL

Bankers: Handelsbanken, 3 Thomas More Square, London E1W 1WY

Lloyds Bank, 9-11 Poplar Road, Solihull, West Midlands B91 3AN

Risk assessment, audit and management

The Trustees review the risks facing the Charity and the steps needed to mitigate them.

The Board has a risk policy and identified risk register with control systems designed to respond to and mitigate risk.

The risk register is reviewed at each board meeting and the trustees assess whether new risks have emerged or whether any of the identified risks have changed in severity.

The Trustees consider that the formulated plans to deal with such risks are appropriate at present.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The current major risks facing the Charity are:

1. COVID-19 pandemic

Hazards

Loss of key staff
Loss of income
Loss of members
Regulatory changes

Mitigating measures

Staff have home working ability
Key business process shared
Monthly monitoring of finances
Direct dialogue with Government departments and MPs
Monthly member CEO and Director level meetings

2. Insufficient funds

Hazards

Income drops below target
Costs exceed budget

Mitigating measures

Quarterly board review of finances
Pipeline for fundraising initiatives in place
Follow the AAUK reserves policy
Reduction of distribution of funds to members
Reduce costs through dialogue with the AAUK Board of Directors

3. Loss of key personnel

Hazards

1.Short term efficiency impaired

Mitigating measures

Trustees instigate recruitment of new key personnel with Senior Manager
Review Insurance provision, make claim as necessary
Ensure AAUK Board of Directors review employee terms and conditions of employment
Organisational Development plan underway

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 including the effect of the Covid-19 outbreak and its potential impact on the various sources of income and planned expenditure. We have prudently trimmed our spending plans to buffer an element of the Covid-19 funding impact. 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.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Future Developments

With the delivery of a successful acquisition of the Association of Air Ambulances Ltd the trustees aim to grow the organisation's ambitions further during 2021 and provide a wider range of beneficial opportunities to support an improvement in the service Air Ambulance Charities deliver to patients and their families. These will include:

- Becoming the respected and trusted 'one voice' for the air ambulance sector
- Increasing the level of national fundraising support to the sector and broadening income channels in order to increase our fundraising and achieve the best possible consistent ROI
- Building even closer relationships with our 21 beneficiary Air Ambulance Charities in order to achieve more through UK-wide collaborative projects, including NHS Digital
- Offering membership of the charity to organisations critical to the delivery of an optimum service to patients to build closer, mutually beneficial relationships
- Bringing Members together to collaborate on national operational and clinical development innovation projects such as national service evaluation
- Further improving our use of digital technology to enable even more sharing of good practice, swift real-time exchange of information and expertise and learnings across the UK via virtual Members' Forums, meetings and webinars
- Effectively build Government relationships on key issues affecting our Members through the reforming of our All Party Parliamentary Group
- Raising the national profile of Air Ambulances UK and the work of the whole Air Ambulance sector through campaigns and PR initiatives
- Holding a virtual national conference and awards
- Bringing the latest news to the sector by better promoting the work of all our Members on the AAUK website, our social and other media and other engagement activities
- 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 AMBULANCES UK) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

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. In 2020 we adopted additional virtual meetings due to the pandemic.

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.

The Board of Trustees agrees annually the budget of the Charity.

Following the acquisition in 2020, the Head of Fundraising and Communications temporarily acted-up into the role of Operations and Marketing Director, pending the appointment of the Charity's first CEO.

In October 2020 a Finance Manager was appointed.

In December 2020 the Charity went out for recruitment for its first CEO.

During 2020 the core team increased from three to four persons as part of a strategy to provide a focussed team on a permanent basis rather than several interim arrangements to ensure corporate memory can be maintained.

We would like to thank our Bookkeeper, Diane Scriven, who left at the end of December 2020 for all her contributions and support to the organisation.

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 F E Campbell	(Appointed 1 January 2020 and resigned 1 April 2020)
Ms S J Gurney	(Appointed 1 January 2020 and resigned 1 April 2020)
Mr P G Peal	(Appointed 1 January 2020 and resigned 1 April 2020)
Mr A Fawsitt	(Appointed 1 January 2020 and resigned 8 June 2020)
Mr M P Jeffery	(Appointed 1 January 2020 and resigned 30 September 2020)
Mr D Brown	
Ms A L Perry	
Mr J M Christensen	
Mr T D Howard	(Appointed 23 March 2020)
Mrs H Benjamin (Chair of Trustees)	(Appointed 1 April 2020)
Mrs A C McLean	(Appointed 1 April 2020)
Mr A D Welch	(Appointed 1 April 2020)
Dr M Williams	(Appointed 1 October 2020)
Ms C Ashby Walters	(Appointed 1 October 2020)

Overall control of the Charitable Company is with Trustees

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustee induction and training

The recruitment of Trustees is led by an audit of the skills held by the members of the Board.

In 2020 six new members of the Board were appointed by the Charity; a new independent Chair, three independent Trustees and two elected Trustees.

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 and a skills audit review . Shortlisted candidates are interviewed by a Nominations Committee selected by the Board who make a recommendation to the Board. The AGM of the Charity confirms all new appointments.

Following the review of the Articles for the new merged organisation four member nominated Directors representatives were confirmed at the AGM in 2020. At the same time all Independent Trustees and the Independent Chair of Trustees were also ratified by the membership.

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

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.

H Benjamin

Mrs H Benjamin

Independent Chair

Dated: 8 June 2021

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 and the Charities Act 2011. 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 AMBULANCES UK) INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the consolidated financial statements of the Association of Air Ambulances (Charity) Ltd (the 'parent charity') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent charitable company's affairs as at 31 December 2020 and of the Group's 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 included within 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 group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charity, 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the parent charity for the purpose 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 parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

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

As part of our planning process:

- We enquired of management the systems and controls the parent charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to gifts in kind
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party and consolidated balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

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

Use of our report

This report is made solely to the parent 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 auditors' 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Suresh Mehta (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom


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**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	229,351	6,067,101	6,296,452	376,306	23,316	399,622
Charitable activities	4	126,218	-	126,218	-	-	-
Investments	5	532	-	532	551	-	551
Gift arising on acquisition of Association of Air Ambulances Limited	6	94,967	-	94,967	-	-	-
Other income	7	746	-	746	-	-	-
Total income		<u>451,814</u>	<u>6,067,101</u>	<u>6,518,915</u>	<u>376,857</u>	<u>23,316</u>	<u>400,173</u>
<u>Expenditure on:</u>							
Raising funds	8	93,097	62,444	155,541	109,857	-	109,857
Charitable activities	9	160,436	6,007,132	6,167,568	240,142	30,948	271,090
Total resources expended		<u>253,533</u>	<u>6,069,576</u>	<u>6,323,109</u>	<u>349,999</u>	<u>30,948</u>	<u>380,947</u>
Net incoming/ (outgoing) resources before transfers		198,281	(2,475)	195,806	26,858	(7,632)	19,226
Gross transfers between funds		(2,444)	2,444	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		<u>195,837</u>	<u>(31)</u>	<u>195,806</u>	<u>26,858</u>	<u>(7,632)</u>	<u>19,226</u>
Fund balances at 1 January 2020		<u>125,252</u>	<u>31</u>	<u>125,283</u>	<u>98,394</u>	<u>7,663</u>	<u>106,057</u>
Fund balances at 31 December 2020		<u><u>321,089</u></u>	<u><u>-</u></u>	<u><u>321,089</u></u>	<u><u>125,252</u></u>	<u><u>31</u></u>	<u><u>125,283</u></u>

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 AMBULANCES UK)
CONSOLIDATED BALANCE SHEET**

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	15		-		-
Tangible assets	16		436		1,340
			<u>436</u>		<u>1,340</u>
Current assets					
Debtors	17	27,794		34,496	
Cash at bank and in hand		346,984		289,659	
		<u>374,778</u>		<u>324,155</u>	
Creditors: amounts falling due within one year	18	(54,125)		(200,212)	
Net current assets			<u>320,653</u>		<u>123,943</u>
Total assets less current liabilities			<u><u>321,089</u></u>		<u><u>125,283</u></u>
Income funds					
Restricted funds	20		-		31
Unrestricted funds			321,089		125,252
			<u>321,089</u>		<u>125,283</u>

The financial statements were approved by the Trustees on 8 June 2021

H Benjamin

**Mrs H Benjamin
Trustee**

Company Registration No. 09391251

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	16		436		1,340
Current assets					
Debtors	17	7,822		34,496	
Cash at bank and in hand		246,188		289,659	
		<u>254,010</u>		<u>324,155</u>	
Creditors: amounts falling due within one year	18	<u>(33,355)</u>		<u>(200,212)</u>	
Net current assets			220,655		123,943
Total assets less current liabilities			<u>221,091</u>		<u>125,283</u>
Income funds					
Restricted funds	20		-		31
Unrestricted funds			221,091		125,252
			<u>221,091</u>		<u>125,283</u>

The Charitable Company uses the exemption contained in section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure account for the Charitable Company as a separate entity. The net income for the Charitable Company alone for the year to 31 December 2020 was £95,810 (2019: £19,226)

The financial statements were approved by the Trustees on 8 June 2021

H Benjamin

**Mrs H Benjamin
Trustee**

Company Registration No. 09391251

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		56,376		(160,423)
Investing activities					
Purchase of tangible fixed assets		(329)		(530)	
Proceeds on disposal of tangible fixed assets		746		-	
Investment income received		532		551	
Net cash generated from investing activities			949		21
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			57,325		(160,402)
Cash and cash equivalents at beginning of year			289,659		450,061
Cash and cash equivalents at end of year			<u>346,984</u>		<u>289,659</u>

ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD (OPERATING AS AIR AMBULANCES UK) NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Association of Air Ambulances (Charity) Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is One Bartholomew Close, London, EC1A 7BL.

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 responsive to donors who wish to donate to multiple air ambulance charities.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is 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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have considered the effect of the ongoing global Covid-19 pandemic. The Trustees consider that the pandemic is likely to continue to cause a significant diminution of the Charity's income and attenuation of the Charity's activities. Membership receipts due to The Association of Air Ambulances Ltd, acquired at the start of the year, are largely as expected. Extensive revisions have been made to the expenditure plans of the combined organisation. 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 Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Association of Air Ambulances Limited on a line-by-line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charity's balance sheet. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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.

1.5 Income

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.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

(Continued)

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.

Donated services and assets are recognised at the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. They are included in the SOFA and balance sheet as appropriate.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.6 Expenditure

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 charity expenditure is shown gross of irrecoverable VAT. The subsidiary is VAT registered, therefore trading expenditure is included net of recoverable VAT.

Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity.

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.

Grants are accrued when confirmed and paid or are accrued for when a commitment has been agreed to be paid to a recipient.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Website	2 years straight line
---------	-----------------------

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies (Continued)

1.8 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:

Fixtures and fittings	3 years straight line
Computers	3 years straight line

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.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible 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).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.11 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. The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Except for fixed assets and investments, basic financial instruments are recognised as the amount payable or receivable when the instrument is first recognised together with any subsequent transaction costs but modified in respect of trade debtors for an assessment of potential bad debt.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

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.

The principal accounting estimates relate to the valuation of gifts in kind, which are included at the cost price the charity would have paid for the services; the value in the accounts is £20,312.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations and gifts	168,145	67,101	235,246	185,486	23,316	208,802
Legacies receivable	40,894	-	40,894	190,820	-	190,820
Government grants receivable	-	6,000,000	6,000,000	-	-	-
Donated goods and services	20,312	-	20,312	-	-	-
	<u>229,351</u>	<u>6,067,101</u>	<u>6,296,452</u>	<u>376,306</u>	<u>23,316</u>	<u>399,622</u>

There are a number of legacies due to be received by the Charity, but the timings and amounts are as yet uncertain.

Grants receivable for core activities

Department for Health and Social Care - Covid-19 grant

	-	6,000,000	6,000,000	-	-	-
	<u>-</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

4 Charitable activities

	2020	2019
	£	£
Fundraising regulator	31,308	-
Membership subscriptions	94,650	-
Sundry income	260	-
	<u>126,218</u>	<u>-</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	532	551
	<u>532</u>	<u>551</u>

6 Gift arising on acquisition of Association of Air Ambulances Limited

The charity became the sole member of the Association of Air Ambulances on 1 January 2020. The net assets of the subsidiary at the acquisition date, of £94,967, have been gifted to the group, and are showing within income on the consolidated Statement of Financial Activities.

7 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Net gain on disposal of tangible fixed assets	746	-
	<u>746</u>	<u>-</u>

8 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2020	2020	2020	2019
	£	£	£	£
<u>Fundraising and publicity</u>				
Seeking donations, grants and legacies	-	2,400	2,400	-
Staff costs	48,825	54,401	103,226	80,936
Depreciation and impairment	961	-	961	886
Support costs	43,311	5,643	48,954	28,035
	<u>93,097</u>	<u>62,444</u>	<u>155,541</u>	<u>109,857</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

9 Charitable activities

	Charitable activities 2020 £	Charitable activities 2019 £
<u>Charitable activities</u>		
Staff costs	43,058	-
Depreciation and impairment	272	-
Management charge	271	8,927
	<hr/>	<hr/>
	43,601	8,927
Grant funding of activities (see note 10)	6,007,132	232,939
Share of support costs (see note 11)	86,988	16,482
Share of governance costs (see note 11)	29,847	12,742
	<hr/>	<hr/>
	6,167,568	271,090
	<hr/> <hr/>	<hr/> <hr/>
Analysis by fund		
Unrestricted funds	160,436	240,142
Restricted funds	6,007,132	30,948
	<hr/>	<hr/>
	6,167,568	271,090
	<hr/> <hr/>	<hr/> <hr/>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

10 Grants payable

	Total 2020	Total 2019
	£	£
Grants to institutions:		
Air Ambulance Northern Ireland	185,081	9,959
Cornwall Air Ambulance Trust	522,581	9,959
Devon Air Ambulance Trust	142,716	12,040
The Dorset and Somerset Ambulance Charity	183,716	12,040
East Anglian Air Ambulance	142,631	9,959
Essex and Herts Air Ambulance Trust	142,581	10,113
Great North Air Ambulance Service	522,631	9,959
Great Western Air Ambulance Charity	378,591	12,040
Hampshire and Isle of Wight Air Ambulance	142,716	12,040
Air Ambulance Kent Surrey Sussex	381,192	19,038
Lincs and Notts Air Ambulance Charitable Trust	183,581	9,959
London's Air Ambulance Charity	256,716	12,040
MAGPAS	522,581	9,959
Midlands Air Ambulance Charity	255,081	9,959
North West Air Ambulance Charity	378,456	9,959
Scotland's Charity Air Ambulance	183,631	9,959
The Air Ambulance Service	185,131	12,040
Thames Valley Air Ambulance	142,716	9,959
Wales Air Ambulance	522,631	9,959
Wiltshire Air Ambulance Charitable Trust	377,091	12,040
Yorkshire Air Ambulance Limited	255,081	9,959
	<u>6,007,132</u>	<u>232,939</u>

The trustees have decided to include within the distributions above £17,132 in grants to the associations listed in relation to the distribution of donations received in 2020 and payable in April 2021. This includes £1,043 which has effectively been distributed in advance due to an over-distribution in the prior year. The balance of £16,089 will be paid in April 2021.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

11 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Travel and subsistence	5,068	-	5,068	9,344	-	9,344
Bank charges	1,829	-	1,829	637	-	637
Advertising and marketing	21,783	-	21,783	7,967	-	7,967
Printing, stationery and telephone	3,530	-	3,530	1,396	-	1,396
Legal and professional fees	50,186	-	50,186	4,960	-	4,960
IT, film and website costs	14,256	-	14,256	12,420	-	12,420
Insurance	2,583	-	2,583	1,088	-	1,088
Board and committee meetings	9,235	-	9,235	846	-	846
Other staff costs including interim finance consultant	16,662	-	16,662	2,547	-	2,547
General expenses	10,810	-	10,810	3,312	-	3,312
Audit fees	-	14,500	14,500	-	4,300	4,300
Legal and professional	-	17,747	17,747	-	8,442	8,442
	<u>135,942</u>	<u>32,247</u>	<u>168,189</u>	<u>44,517</u>	<u>12,742</u>	<u>57,259</u>
Analysed between						
Fundraising	48,954	2,400	51,354	28,035	-	28,035
Charitable activities	86,988	29,847	116,835	16,482	12,742	29,224
	<u>135,942</u>	<u>32,247</u>	<u>168,189</u>	<u>44,517</u>	<u>12,742</u>	<u>57,259</u>

Governance costs payable to the auditors include £8,100 for audit fees of the group (2019: charity only £4,300), £4,000 (2019: Nil) for accountancy advice and £2,400 (2019: Nil) in respect of grant assurance work.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

12 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 £182 (2019: £325) for travel costs.

During the year, expenses were reimbursed to Anna Perry for the total amount of £89 (2019: £nil) for travel costs.

During the year, expenses were reimbursed to Daryl Brown for the total amount of £61 (2019: £nil) for travel costs.

During the year, expenses were reimbursed to Heather Benjamin for the total amount of £105 (2019: £nil) for stationery and printing costs.

During the year, expenses were reimbursed to John Christensen for the total amount of £193 (2019: £154) for travel costs.

Grants to connected charities

During the year the Charity made grants to a number of Air Ambulance charities where Trustees are either Trustees of that charity or key management personnel.

Daryl Brown who is also CEO of MAGPAS which received £522,581 during the year (2019: £9,959).

Amanda Mclean who is also CEO of Thames Valley Air Ambulance which received £142,716 during the year (2019: £ 9,959).

Anna Perry who is also CEO of Great Western Air Ambulance Charity which received £378,591 during the year (2019: £12,040).

David Welch who is also CEO of Air Ambulance Kent Surrey Sussex which received £381,192 during the year (2019: £19,038).

Jane Gurney who is also CEO of Essex and Herts Air Ambulance Trust which received £142,581 during the year (2019: £10,113).

Patrick Peal who is also CEO of East Anglian Air Ambulance which received £142,631 during the year (2019: £9,959).

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

13 Employees

The average monthly number of employees during the year was:

Group & Charity	2020 Number	2019 Number
Fundraising staff	2	2
Administrative staff	1	-
	<hr/>	<hr/>
Total	3	2
	<hr/> <hr/>	<hr/> <hr/>

Employment costs	2020 £	2019 £
Wages and salaries	133,198	70,760
Social security costs	9,327	7,786
Other pension costs	3,759	2,390
	<hr/>	<hr/>
	146,284	80,936
	<hr/> <hr/>	<hr/> <hr/>

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £70,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

14 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary has a tax charge for the year of £nil (2019: £nil)

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

15 Intangible fixed assets

Group

	Website £
Cost	
At 1 January 2020 and 31 December 2020	22,018
Amortisation and impairment	
At 1 January 2020 and 31 December 2020	22,018
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

The intangible fixed assets included above relate to the intangible assets of the subsidiary, shown within these group accounts.

Charity

The charity has no intangible fixed assets (2019: £nil)

16 Tangible fixed assets

Group

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2020	-	2,879	2,879
Additions	272	57	329
Disposals	(272)	-	(272)
At 31 December 2020	-	2,936	2,936
Depreciation and impairment			
At 1 January 2020	-	1,539	1,539
Depreciation charged in the year	272	961	1,233
Eliminated in respect of disposals	(272)	-	(272)
At 31 December 2020	-	2,500	2,500
Carrying amount			
At 31 December 2020	-	436	436
At 31 December 2019	-	1,340	1,340

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

16 Tangible fixed assets (Continued)

Charity

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2020	-	2,879	2,879
Additions	-	57	57
At 31 December 2020	-	2,936	2,936
Depreciation and impairment			
At 1 January 2020	-	1,539	1,539
Depreciation charged in the year	-	961	961
At 31 December 2020	-	2,500	2,500
Carrying amount			
At 31 December 2020	-	436	436
At 31 December 2019	-	1,340	1,340

17 Debtors

Group

	2020 £	2019 £
Amounts falling due within one year:		
Funds awaiting collection	5,000	33,000
Other debtors	80	1,043
Prepayments and accrued income	22,714	453
	27,794	34,496

Charity

	2020 £	2019 £
Amounts falling due within one year:		
Funds awaiting collection	5,000	33,000
Other debtors	-	1,043
Prepayments and accrued income	2,822	453
	7,822	34,496

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

18 Creditors: amounts falling due within one year

Group

	2020	2019
	£	£
Other taxation and social security	2,290	2,057
Trade creditors	1,798	1,491
Amounts committed for distribution	16,089	187,983
Other creditors	-	256
Accruals and deferred income	33,948	8,425
	<u>54,125</u>	<u>200,212</u>

Charity

	2020	2019
	£	£
Other taxation and social security	3,934	2,057
Trade creditors	1,438	1,491
Amounts committed for distribution	16,089	187,983
Other creditors	145	256
Accruals and deferred income	11,749	8,425
	<u>33,355</u>	<u>200,212</u>

19 Retirement benefit schemes

Defined contribution schemes

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,759 (2019 - £2,390).

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

20 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:

	Movement in funds			Balance at 1 January 2020	Movement in funds				Balance at 31 December 2020
	Balance at 1 January 2019	Incoming resources	Net distributions		Incoming resources	Net distributions	Expenditure	Transfers from unrestricted funds	
	£	£	£	£	£	£	£	£	£
Anonymous donation	7,663	16,161	(23,793)	31	1,051	(1,082)	-	-	-
Material individual fund	-	7,000	(7,000)	-	4,000	(4,000)	-	-	-
Allianz	-	155	(155)	-	-	-	-	-	-
VPLOUGH	-	-	-	-	350	(350)	-	-	-
Department for Health and Social Care - Covid-19 funds	-	-	-	-	6,000,000	(5,940,000)	(62,444)	2,444	-
Anonymous grant	-	-	-	-	50,000	(50,000)	-	-	-
Road Haulage Association	-	-	-	-	4,200	(4,200)	-	-	-
Bunzl	-	-	-	-	7,500	(7,500)	-	-	-
	<u>7,663</u>	<u>23,316</u>	<u>(30,948)</u>	<u>31</u>	<u>6,067,101</u>	<u>(6,007,132)</u>	<u>(62,444)</u>	<u>2,444</u>	<u>-</u>

During the year, the charity received a government grant of £6m, over two instalments, in relation to supporting the air ambulance charities with the additional pressures and requirements of dealing with the Covid-19 pandemic across the UK. £2.94m of this was to be distributed equally between the 21 air ambulance charities, £60,000 was for use by the association to cover their costs in supporting the charities, and the remaining £3m was to be distributed to the 21 charities on a need-assessed basis. All funds were required to be spent and distributed by 31 October 2020.

The grant classified as anonymous of £50k received during the year was distributed in an extraordinary distribution as an emergency grant between the 21 air ambulance charities in May 2020. The donation of Road Haulage Association of £4,200 was also to be distributed equally between the 21 air ambulance charities. All other restricted funds received during the year were restricted to specific air ambulance charities.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

21 Analysis of net assets between funds

Group

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	436	-	436	1,340	-	1,340
Current assets/ (liabilities)	320,653	-	320,653	123,912	31	123,943
	<u>321,089</u>	<u>-</u>	<u>321,089</u>	<u>125,252</u>	<u>31</u>	<u>125,283</u>

Charity

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	436	-	436	1,340	-	1,340
Current assets/ (liabilities)	220,655	-	220,655	123,912	31	123,943
	<u>221,091</u>	<u>-</u>	<u>221,091</u>	<u>125,252</u>	<u>31</u>	<u>125,283</u>

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

22 Related party transactions

Transactions with related parties

Group

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

	Purchase of goods	
	2020	2019
	£	£
Other related parties with a shared director	-	1,060
	<u> </u>	<u> </u>

Charity

At the year end, the charity owed £145 (2019: £256) to Association of Air Ambulances Limited, a subsidiary company.

All transactions with Trustees and other charities of which they are also trustees have been included on note 12 of these financial statements.

23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

24 Subsidiaries

The charitable company is the sole member of Association of Air Ambulances Limited, a company registered in England. All activities have been consolidated on a line by line basis in the statement of financial activities. A summary of the results of the subsidiary for the year ended 31 December 2020 is shown below:

Turnover: £127,766
Profit/(Loss): £5,029

The aggregate of assets, liabilities and funds was:

Assets: £125,435
Liabilities: £25,439
Funds: £99,996

The charity became the sole member of the Association of Air Ambulances on 1 January 2020, therefore no comparative figures are included in these financial statements for the trading subsidiary. The net assets of the subsidiary at the acquisition date were £94,967.

**ASSOCIATION OF AIR AMBULANCES (CHARITY) LTD
(OPERATING AS AIR AMBULANCES UK)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

25 Cash generated from operations

	£	£
Surplus for the year	195,806	19,226
Adjustments for:		
Investment income recognised in statement of financial activities	(532)	(551)
Gain on disposal of tangible fixed assets	(746)	-
Depreciation and impairment of tangible fixed assets	1,233	886
Movements in working capital:		
Decrease/(increase) in debtors	6,702	(22,555)
(Decrease) in creditors	(146,087)	(157,429)
Cash generated from/(absorbed by) operations	<u>56,376</u>	<u>(160,423)</u>

26 Analysis of changes in net funds

The Group had no debt during the year.