

Company registration number: 02788157

Charity registration number: 1017501

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Contents**

Reference and Administrative Details	1
Statement from the Chairman	2
Trustees' Annual Report	3 to 6
Strategic Report	7 to 12
Statement of Trustees' Responsibilities	13
Independent Auditors' Report	14 to 16
Consolidated Statement of Financial Activities	17
Consolidated Balance Sheet	18
Balance Sheet	19
Consolidated Statement of Cash Flows	20
Statement of Cash Flows	21
Notes to the Financial Statements	22 to 41

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Reference and Administrative Details**

The Lincolnshire & Nottinghamshire Air Ambulance (LNAA) provides a Helicopter Emergency Medical Service (HEMS) for our two counties and beyond. Called out on average 3 times a day, our crew attend predominantly life-threatening or life-changing incidents and accidents, delivering the equivalent of a hospital A&E Department to the scene. We are not NHS funded and our service is free to all, funded by the local community.

<b>Chairman</b>	J E O'Hern FCA, Chair
<b>Chief Executive Officer</b>	K Jobling
<b>Trustees</b>	J S Pearson Vice Chair A J Pearce G L Secker P Would L Briggs A Davies (appointed 30 September 2020) H Glenn (appointed 30 September 2020)
<b>Secretary</b>	Wilkin Chapman Company Secretarial Services Limited
<b>Principal Office</b>	LNAA Headquarters HEMS Way Off Sleaford Road Lincoln LN4 2GW  The Charity is incorporated in United Kingdom.
<b>Company Registration Number</b>	02788157
<b>Charity Registration Number</b>	1017501
<b>Solicitors</b>	Wilkin Chapman LLP The Maltings 11-15 Brayford Wharf East Lincoln LN5 7AY
<b>Bankers</b>	Barclays Bank plc Tritton Road 3 Crusader Road Lincoln Lincolnshire LN6 7AR
<b>Auditor</b>	Forrester Boyd 26 South Saint Mary's Gate Grimsby North East Lincolnshire DN31 1LW



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Statement from the Chairman for the Year Ended 31 March 2021**

As I write, the UK continues to slowly emerge from the grip of the Covid-19 global pandemic which has had such a devastating effect on so many lives over the last year in particular. We are mindful of the collective loss experienced by so many and we share in the thoughts of the nation for better times ahead.

The pandemic has significantly impacted LNAA from a clinical, operational, fundraising and financial perspective. Lockdowns and Covid restrictions have seen the closure of our shops and significant restrictions on our ability to fundraise to support our life-saving missions. Many of our staff have been furloughed during the year, whilst a much reduced staff team worked from home in order to protect the Charity's health and sustainability. Our wonderful volunteers and donors have been extremely supportive during this most difficult time and we are so incredibly grateful and humbled by the contributions to our work despite the disruption caused by the pandemic. The Charity has experienced a £550k reduction in fundraising income due to the pandemic.

Despite the immense challenges posed by Covid-19 on the charity, our helicopter and Crew have remained on stand-by, ready to respond at a moment's notice. Our clinicians and pilots have quickly adapted to flying and treating patients whilst wearing full Personal Protective Equipment (PPE) in order to keep themselves and their patients safe. Although a number of our clinicians returned to the NHS during the peak of the pandemic to help support the front-line, we did not miss a single day of being on-duty and able to provide our Helicopter Emergency Medical Service to those in their time of greatest need.

As if the pandemic was not a challenge enough, we also managed to enhance our service delivery during the year by providing a Critical Care Car in the centre of Nottingham where we not only have seen increasing cases of trauma but often in a geographical area inaccessible by helicopter. The year has seen an overall increase in the number of Missions we have been tasked to compared to the prior year (1,189 compared to 855). You can see our full mission statistics on page 10.

One of the strategic goals we set out last year was the completion and move to our new purpose built, fit-for-purpose HQ & Airbase. We were very fortunate to have secured external funding to complete this capital project in prior years. The pandemic caused inevitable construction delays of 4 months but staff, crew and volunteers remain incredibly excited to be moving into the new building in early summer 2021. Great progress has also been made on the Charity's transition to Care Quality Commission (CQC) registration; a number of new senior, expert clinicians have joined our team during the year bringing significant experience in pre-hospital care with them.

This last year has, without doubt, been one like no other. As I reflect on the immense challenges we have faced during the past year, I remain very proud of what the Charity has been able to deliver in extremely challenging circumstances. On behalf of the Trustees I would like to thank all those individuals have continued to support LNAA; to express sincere gratitude to our Crew and the Leadership Team for the commitment and resilience they have shown over the last year; to thank our staff across all areas of the Charity for their hard work in often very difficult circumstances; and to thank our volunteers whose interest in our cause has remained steadfast. Our CEO, Karen Jobling, has continued to 'go beyond' in her dedication to the Charity throughout a quite exceptional year, not only juggling the dramatic Covid impact on our operations, but also keeping our major projects of a new HQ & Airbase, CQC registration on track and, as I write, sourcing a second helicopter for the Summer of 2021 to work on the East Coast of Lincolnshire where demand for pre-hospital emergency medicine has already increased due to the lack of overseas travel.

Finally, I would like to thank my fellow Trustees for the additional time commitment they have freely given during this last year in order to support the Leadership Team and guide the Charity through a very challenging time. Although my term as Chair is about to come to an end, I very much look forward to contributing my time as a Trustee when my fellow Trustee, Graham Secker, takes over as Chair of the Board from April 2021.

  
.....  
J E O'Hern FCA  
Chairman



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Trustees' Annual Report**

### **Objectives and activities**

#### **Our Vision, Mission & Values**

##### **Our Vision**

We will deliver a high-quality Helicopter Emergency Medical Service, 24 hours a day 7 days a week, for the people of Lincolnshire & Nottinghamshire and beyond.

##### **Our Mission**

The relief of sickness and injury and the protection of human life by the provision of an Air Ambulance or Critical Care Car for the benefit of the population of our two counties.

##### **Our Values**

We have four values that express and represent our shared understanding of the principles that are important to us. They set out the things that we aspire to be as a Charity and that underpin everything we do.

- **Teamwork:** Staff, aircrew, volunteers, partners and the community; one indivisible team
- **Respect:** We treat everyone with consideration, appreciation and acceptance
- **Innovation:** We aim high and embrace opportunities to improve and enhance everything that we do
- **Compassion:** We treat others with sensitivity, consideration and kindness

#### **Structure, governance and management**

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, are pleased to present their Annual Report together with the consolidated financial statements of the Charity and its subsidiary for the year ending 31 March 2021. This report is also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice 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) and the Charity Commissions' summary guidance for Charity Trustees on Charities and Public Benefit.

Trustees have taken reference of the Charity Commission guidance on Public Benefit and are confident that the provision of an Air Ambulance service, freely available to the communities of Lincolnshire and Nottinghamshire, meets all the provisions necessary.

#### **Directors and Trustees**

The directors of the Company are the Charity's Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees who served during the year are listed on page 1.

#### **Structure of the Organisation**

LNAA is controlled by the Board of Trustees; the Board currently meets monthly due to the significant strategic projects underway. The Chief Executive Officer is appointed by the Trustees and has responsibility for the day to day management, operations and leadership of the Charity. The Trustees undertake an annual performance review of the CEO. The CEO manages a team of Charity staff, plus oversees a team of seconded pilots, doctors and paramedics. The Leadership Team are responsible for the efficient and effective delivery of the approved strategy. The Charity employs professional staff in the areas of fundraising, finance, communications, retail, IT, lottery and administration. All staff are accountable through a line management system to the Leadership Team, who are in turn, through the Chief Executive accountable to the Trustees.

#### **Nature of governing document**

The Lincolnshire & Nottinghamshire Air Ambulance Charitable Trust is a registered Charity (No. 1017501) which was incorporated on 9 February 1993. It is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Trustees' Annual Report**

### **Public benefit**

The public benefit provided by our air ambulance Charity is the provision of pre-hospital critical care to patients, primarily across the two counties but beyond when the need arises. Our helicopter and Critical Care Car are dispatched by the Emergency Operations Centre (EOC) of East Midlands Ambulance Service (EMAS) following set criteria which considers the clinical need, urgency and accessibility of the patient, as well as the distance to the most appropriate hospital. Our service is free of charge to all.

The principal activity of the subsidiary company is that of the sale of donated goods to generate income for the benefit of the Lincolnshire & Nottinghamshire Air Ambulance Charitable Trust.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **The Board of Trustees**

LNAA is governed by a Board of Trustees who bring a range of skills and experience relative to the objectives of the Charity including legal, business, finance, healthcare, marketing and public relations. Trustees are appointed in accordance with our governing document, following a defined procedure, and fulfil their responsibilities in accordance with clearly defined and approved Terms of Reference. The Board comprises of a Chairman plus up to 11 other Trustees. There are two sub committees of the Board; the Finance Committee and the Staff & Remuneration Committee. Each committee has detailed Terms of Reference. The Chairman of the Board leads an annual assessment of the Board.

### **Sub Committees**

The Finance Committee reports to the full Board and oversees budgets, financial planning and investment policy; the committee is chaired by Jack O'Hern.

The Staff & Remuneration Committee is chaired by Jack O'Hern and meets twice a year to review all elements of staff and volunteer remuneration and performance review.

### **Recruitment and appointment of Trustees**

Following an open recruitment drive, two new Trustees have been appointed to the Board during the past financial year. New Trustees are appointed in accordance with our constitution, in line with a defined procedure.

### **Induction and training of Trustees**

All Trustees have defined terms of reference, an Induction Plan and a comprehensive Trustee Handbook which includes a copy of our Articles of Association, a copy of the latest audited accounts, our Strategic Plan and a copy of the Code of Good Governance, plus other key Charity Commission guidance materials. Training is offered to all Trustees to enable them to fulfill their responsibilities to the Charity.

### **Governance**

Trustees strive to demonstrate and promote good governance throughout the Charity. During the year, all Trustees attended a Governance Workshop which benchmarked our practices against the Code of Good Governance.

### **Use of volunteers**

The Charity is supported by a tremendous team of volunteers. We have around 140 active volunteers although their activity has been dramatically curtailed during the pandemic. As government restrictions lift, we very much look forward to welcoming back our wonderful volunteers. Whilst Covid restrictions remain, we keep in regular contact with our volunteers to ensure everyone stays informed and connected.

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Trustees' Annual Report**

### **Arrangements for setting key management personnel remuneration**

LNAA is a complex and highly-regulated organisation, encompassing clinical, aviation and Charity regulation. The success of the Charity is largely dependent on its ability to recruit and retain talented staff with appropriate skills and who share its core Values. The pay of all staff is reviewed annually, with the remuneration of all clinical staff on NHS salaries governed by public sector arrangements. All staff directly employed by the Charity are benchmarked against similar roles in similar sized organisations and charities delivering complex and demanding outputs. The Staff & Remuneration Committee reviews all aspects of staff salaries and benefits on an annual basis. This Committee then makes appropriate recommendations to the full Board for review and approval.

During the period of this report, the Leadership Team comprises:

- Chief Executive
- Head of Finance
- Director of Fundraising
- Head of Comms & Marketing
- Head of Retail & Volunteering
- Head of HR
- Air Ops Manager

### **Key Stakeholders**

The Lincolnshire & Nottinghamshire Air Ambulance is part of an integrated response to emergencies within the East Midlands region, facilitated by East Midlands Ambulance Service (EMAS). Our helicopter and Critical Care Car are deployed on emergency missions by the EMAS Emergency Operations Centre in Nottingham. Our partnership working with EMAS is clearly set out in a Service Level Agreement. Regular meetings are held between the Charity and EMAS to ensure efficient and successful partnership working.

The Charity has worked hard to further develop its relationship with hospitals within the region, including Queens Medical Centre (QMC) in Nottingham (our Regional Major Trauma Centre), Lincoln County Hospital, Hull Royal Infirmary and Sheffield Northern General Hospital.

Our helicopter and pilots are provided by Specialist Aviation Services (SAS). A detailed Contract between the two parties clearly sets out responsibilities and obligations. During the year, a Contract review has taken place, alongside market comparisons to ensure value for money and the highest standards of resilience and delivery are secured.

The Charity has a strong relationship with RAF Waddington, and we remain grateful for the space our Airbase has occupied and the warm support we have received whilst being based on RAF Waddington for more than two decades. As our new HQ & Airbase is only 200 meters from RAF Waddington, our close relationship with will remain even after we re-locate in the early summer of 2021.

LNAA is an active member of Air Ambulances UK and values the shared knowledge exchanged through its membership and via the regular direct dialog with other AA's.

We carry blood on board our aircraft and have a vital and treasured partnership with the Blood Bank at Lincoln County Hospital, as well as the Lincolnshire Emergency Blood Bikers Service. Two units of fresh blood are delivered to our airbase daily. This precious resource often gives our most poorly patients a better chance of surviving the most traumatic of injuries.

### **Other Partners**

The Charity has membership of the following national associations: Air Ambulances UK; the Institute of Fundraising (IoF); the Lotteries Council; the Charity Retail Association; and the Fundraising Regulator.



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Trustees' Annual Report**

### **Risk Management**

The Trustees have a risk management approach that comprises:

- A comprehensive Risk Register which is reviewed at least twice per year at Board Meetings
- A regular review of the risks the Charity may face
- The establishment of systems and processes to mitigate identified risks

During this year, the Trustees consider the most significant risks to the Charity are: reduced income and ability to deliver our HEMS operation due to the Covid-19 global pandemic; helicopter operational resilience issues outside of our control; delayed delivery of Strategic Goals due to the pandemic. Trustees are satisfied that the major risks have been mitigated where possible.

### **Health & Safety**

The Charity is committed to promoting a positive safety culture in accordance with its H&S Policy. The Health & Safety Committee meet quarterly and includes a Lead Trustee responsible for Board H&S oversight. Staff, crew and volunteers receive regular training in Health & Safety.

### **Safeguarding**

The Charity's Safeguarding Policy aims to protect the health, wellbeing and rights of all individuals. All employees and Trustees complete appropriate safeguarding training. Trustee Harvey Glenn is the Board's Safeguarding Lead.

### **Regulatory bodies**

LNAA is subject to regulation by the Civil Aviation Authority, the Charity Commission, the Gambling Commission, the Information Commissioner and the Fundraising Regulator.

### **Wellbeing**

Throughout the entire year of the pandemic, the Charity has put in place additional wellbeing support and resources in order to support staff and crew through a most difficult and anxious time. Our staff and crew have either been on the front line, working from home, part office based or on furlough.

### **Equal Opportunities**

We are committed to ensuring equal opportunities, fairness, dignity, work-life balance and to eliminate all forms of discrimination in the workplace.


### **Disclosure of information to auditor**

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Forrester Boyd as auditors of the Charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the Trustees of the Charity on 8 July 2021 and signed on its behalf by:

  
.....  
J E O'Hern FCA  
Chairman

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Strategic Report for the Year Ended 31 March 2021**

The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

### **Achievements and performance**

#### **Income Generation**

We are committed to the highest standards of fundraising and are registered with the Fundraising Regulator. Our range of fundraising programmes include Lottery, Legacy, Individual Giving, Events, Corporates and Retail; this year all programmes have been adversely affected by the pandemic. Total income this year is £7,537,036 down by 36% on the prior year and is £1m below the target we set ourselves, directly due to the impact of the pandemic on our ability to fundraise. Whilst Lottery income increased to £2.9m, up from £2.4m last year, it is under target by £380k as we were not able to actively recruit new Lottery players due to Covid restrictions. We have tight governance arrangements in place to ensure our Lottery is run and managed to high standards. All canvassers are trained by the Charity and regular management meetings are held between the Charity and the Lottery provider to review performance.

We were humbled to receive an amazing £1.9m through legacy gifts left to us by very kind and generous supporters in their Wills. Although truly wonderful gifts to receive, this was down 48% on the prior year's amazing legacy gifts.

Our fundraising targets were set at the beginning of the year to fund all operational costs, as well as funding towards our three Key Strategic Projects - the planned stepped expansion of our 24/7 operations, the move to a new HQ and the transition to clinical independence. Due to Covid, we have not been able to reach our fundraising targets this year. However, last year we out-performed our income targets and following the approval of the Board, as part of our reserves, we established a Covid Impact Income Fund (CIIF) in order to secure the required funds for our planned activities for the next two years, in the event that income generation would be negatively impacted by the pandemic. The board have agreed to carry forward the CIIF as the uncertainty due to Covid is continuing.

#### **Retail**

The Covid-19 pandemic caused our Shops to be closed for more than three quarters of the year with the subsequent significant loss of trading income. In light of the impact of Covid on high street retail and like many retailers the country over, we took the difficult decision to permanently close 3 of our Shops; the size and location of these Shops, coupled with the prolonged decline of shoppers on the high street, sadly made them no longer viable. We thank all those volunteers who gave hours of their time over the years to support these Shops. We are currently reviewing our Retail Strategy for the future, mindful of the changes to trading and retail the UK is experiencing.

Total Trading Company income (comprising merchandise sales, income from the Charity shops, plus recycling) fell to £112,535.

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Strategic Report for the Year Ended 31 March 2021**

### **Operations**

We continue to focus on delivering the very highest standards of pre-hospital critical care to the most critically injured or unwell patients. We have been tasked to potentially life-saving mission over 1,100 times in the year which represents an increase of 18% on the prior year.

The Charity leases its AW169 helicopter from Specialist Aviation Services (SAS) who also maintain the helicopter and provide the pilots. Our helicopter is a modern, state of the art air ambulance which enables our Doctor-Paramedic clinical team to provide the very best treatment to the patients we see. SAS and senior staff from LNAA meet together quarterly to review performance in line with contract arrangements to ensure safety, high-performance and compliance. During the year, LNAA has undertaken initial market research into helicopter provisions to benchmark and ensure we are always able to provide a secure and reliable service.

Alongside our AW169 helicopter, we introduced a second Critical Care Car (CCC) to our fleet during the year. This second CCC is initially for a one-year trial period, based in Nottingham Centre. Our helicopter and CCCs have provided 24-hours a day critical care service, five days a week, despite the added challenges brought about by Covid. As we further ease out of government restrictions, we will revert to our pre-Covid strategy of scaling up our service to provide a 24/7 operations.

At the time of writing this report, we are working hard on a plan to bring a second helicopter into service for the summer of 2021 in order to provide an additional critical care resource, primarily for the East Coast of Lincolnshire. As Covid restrictions ease and the UK population is encouraged to 'Staycation' there is an expectation of a significant surge in the population resulting in an increase in the need for our service. We believe this exceptional year calls for exceptional measures and, as a team, we are doing all we can to further expand our service to be there for when people need us. The Board of Trustees have approved the additional costs can be covered through use of reserves as our fundraising is unlikely to be able to step up in such a short space of time.

### **Helicopter Emergency Medical Service (HEMS) delivery:**

	<b>This year</b>	<b>Last year</b>
<b>Total Missions</b>	1,189	855
<b>Missions by County</b>		
Lincolnshire	712	561
Nottinghamshire	408	251
Other	69	43
<b>Missions by incident type</b>		
Road traffic collisions	373	348
Cardiac arrests	390	362
Accidental injury	264	34
Medical emergency	138	98
Other	24	13
<b>Missions by Day/Night</b>		
Day shift	815	755
Night shift	222	100
Twilight (Notts CCC)	152	-



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Strategic Report for the Year Ended 31 March 2021**

We deliver our patients to a range of hospitals across the region, depending on their clinical needs. In the year under review, the three main hospitals we conveyed our patients to were Queens Medical Centre in Nottingham, Lincoln County Hospital and Hull Royal Infirmary. Our crew also undertook over 90 pre-hospital advanced clinical interventions, including 31 blood transfusions, during the year.

### **Clinical Delivery**

Throughout the year, the LNAA operational team have continued to work towards Care Quality Commission (CQC) registration. During this time, EMAS still provides LNAA clinical governance for all the patients we attend. Our goal is to be CQC registered by the early summer of 2021.

Our clinical team have delivered the following in the past year:

- Safe, high quality, well-governed patient care
- Recruited and trained new Paramedics and Doctors who specialize in pre-hospital care
- Established a strong internal governance framework as we transition to CQC registration next year

The Covid-19 pandemic had a sudden and significant impact on our ability to deliver a pre-hospital emergency medical service. Despite the Lockdowns, very poorly patients still needed us. In a very short space of time, our crew adapted to new, enforced ways of working including the wearing of PPE so that we could still be there when needed. Throughout the pandemic, we have made the wellbeing of our crew and staff a priority, including the introduction of additional support mechanisms.

### **Impact**

Through our Service Level Agreement with East Midlands Ambulance Service, we adhere to strict confidentiality regarding the patients we see. Although we can quantify the number of missions we are called to, the number of patients we airlift, as well as categorize the types of incidents we attend, we are not currently able to identify all patient outcomes following their handover at hospital. However, our Patient & Family Liaison Officer is available for former patients to contact, to tell us their story of recovery and to co-ordinate a visit to thank our crew if requested - something which is very humbling for all involved. Our clinical database enables us to capture specific clinical mission data which will enable us to better monitor and analyze the types, frequency and locations of incidents.

### **Summary of Key Activities**

During the year, the Charity fully funded the following:

- Tasking to 1,189 missions (an increase of 18% on the prior year)
- All elements of our helicopter and 2 Critical Care Car (CCC) operations, including pilots, engineering, fuel, landing fees, maintenance, repairs, specialist flying suits, helmets and night vision equipment
- Payment to East Midlands Ambulance Service (EMAS) for our paramedics
- Full staffing costs for the HEMS Dispatch Desk within the EMAS Emergency Operations Centre, for all night-time operations
- The recruitment of a number of highly qualified Doctors/Consultants/Emeritus Paramedics to work with our clinicians to mentor/elevate clinical standards and to reach CQC registration requirements
- The recruitment and training of our first two Fellows
- The on-going running costs of our Airbase facility at RAF Waddington
- Specialist training for our crew, paramedics, doctors and dispatchers
- Our Blood on Board project
- Specialist new medical equipment to be carried on board the aircraft and in our CCC

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Strategic Report for the Year Ended 31 March 2021**

In addition, the Charity is pleased to report the following progress on our three Key Strategic Objectives:

### **Future-proof new HQ**

Planning permission was secured, alongside all funding for the new build; this funding includes £316,152 from the HELP Appeal for our new helipad and helipad lights. Construction began in March 2020 but was halted for a period in the first Covid-19 Lockdown. The building was due for completion in December 2020 but, again due to the pandemic, was delayed until spring 2021. This much needed new HQ & Airbase will future-proof the Charity, enabling the continued development of our critical care service for the benefit of the patients we see.

### **24/7 Trial**

Throughout the pandemic year, we have consistently delivered a 24-hours a day clinical service for 5 days of the week. As we emerge fully from the pandemic and restrictions are lifted, our aim is to revert to 24/7 operations from autumn 2021.

### **Transition to CQC registration**

Much progress has been made as we transition to clinical independence, although some workstreams have moved at a slower pace due to the pandemic. Our aim is to secure CQC registration in the early summer of 2021.

### **Financial review**

The Charity receives no direct government funding for its helicopter operations although we are very grateful to receive a grant of £181,000 in this unprecedented year to cover the costs of operating in a Covid environment, including the provision of PPE for our crew. We rely on the support, donations and contributions made by individuals and corporations to sustain our vital work; fundraising has been extremely difficult in the Covid environment, coupled with much uncertainty regarding the UK economy. Despite this, our fundraisers and supporters have risen to the challenge and have actively found new ways to raise the vital funds we need including virtual events and encouraging donations via social media.

Total income achieved during the financial year was £7,537,036 (a 36% decrease on the prior year) including restricted income of £316,152.

Total resources expended increased by 15% to £7.3m.

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Strategic Report for the Year Ended 31 March 2021**

### ***Policy on reserves***

The Trustees regularly monitor the Charity's reserves against plans and budgets, and in light of the main risks to the organisation. Our current policy is to achieve a level of reserves sufficient to sustain the operation of our air ambulance for a 2-year period given the negative financial impact of Covid. Reserves represent unrestricted funds to spend on the Charity's purposes and are made up as follows:

- Designated Funds: earmarked or designated for essential future spending, such as an essential project or programme which could not be met from future income alone
- General Reserves/Free Reserves

#### **Unrestricted Designated and General Funds**

Unrestricted funds are available for the purposes of the Charity, to be spent as the Trustees see fit in line with our charitable purpose. An element of these funds has been defined as Designated Funds and earmarked as follows:

#### **Covid Impact Income Fund (CIIF)**

In view of the Coronavirus pandemic (March 2020 onwards), the negative impact on the Charity's ability to fundraise at its normal levels and the uncertain timescale for recovery, the Trustees designated £6m into the CIIF in March 2020. This balance still remains.

#### **Planned Capital Expenditure Fund**

Trustees have designated £500,000 for new equipment and enhanced clinical training facilities for the New HQ and Airbase.

The free reserves of the group as at 31 March 2021 are £9,635,320, which is considered by the Board to be in line with their Reserve Policy and mindful of the negative impact on income generation the Coronavirus pandemic is likely to have for at least the next 12 months. Trustees are of the opinion that Charity remains a going concern due to the ongoing excellent financial performance and the value of reserves held within the context of our Reserves Policy. The Board will regularly review the Reserves Policy as progress is made on the key strategic projects which, together, require significant investment.

Total funds held by the charitable group are £19,042,529 (2020: £17,592,616), which includes restricted reserves of £2,907,209 (2020: £2,618,200), designated reserves of £6,500,000 (2020: £6,500,000) and unrestricted reserves of £9,635,320 (2020: £8,474,416). Of this amount, £6,148,304 can only be realised by disposing of tangible fixed assets.

### ***Investment policy and objectives***

The Charity has adopted an investment policy which minimizes financial risk. Enough funds to sustain the day-to-day operation of the Charity is held in Current and Tracker accounts, as well as Investment Accounts. The Trustees' policy is to enhance the real value of monies invested, through a combination of income and capital growth and to maintain and build on reserves where possible to ensure the Charity is able to cover future costs and have the ability to extend the service as required. To this end, funds have been deposited in a Brewin Dolphin Managed Investment Fund. Brewin Dolphin provide the Charity with monthly statements of the fund performance, which are reviewed by the Finance Committee. Personnel from Brewin Dolphin periodically attend Board meetings to discuss performance and future investment possibilities. We have used some of our cash reserves to support cashflow during the financial year as the new HQ project is delivered. The Board of Trustees have empowered the Finance Committee to regularly review these investments, to report progress to the Board at each Board meeting, and to maximize the return on reserves held by the Charity whilst ensuring this is done within the portfolio risk framework and in the context of the current global economic climate.

The Charity held stocks and shares as at 31st March 2020 with a market value of £7,543,938. These investments are the major element of the Charity's free reserves. Income from the portfolio is reinvested. For this financial year, a total income of £171,367 was generated from investments.

### **Qualifying Third Party Indemnity Provisions:**

Qualifying third party indemnity provisions made by the Charity are in force for the benefit of the Trustees.



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Strategic Report for the Year Ended 31 March 2021**

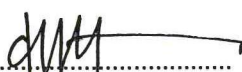
### **Plans for future periods**

Although the country is slowly emerging from the global pandemic, the recovery period for the UK economy and, for LNAA specifically, the pattern of charitable giving and our ability to fundraise remain under question. Many in the sector believe it will take at least another 12 months before fundraising will return to pre-Covid levels. This financial uncertainty coincides with a period of planned growth and development for LNAA, including our emergence as an independent healthcare provider under CQC registration (summer 2021) and our return to 24/7 service delivery (autumn of 2021). We are fortunate in that we have built a level of reserves via our CIIF Designated Funds to bridge any financial gap over the next 2 years.

The goals of the current Strategic Plan have generally been realized and the Charity will soon begin developing its next Strategic Plan. Future developments will likely include:

- Through further partnership working with East Midlands Ambulance Service (EMAS), support the further training of the HEMS Dispatch Desk to enable better tasking.
- Extension of our patient liaison to provide support and onward signposting for former patients as they return to everyday life.
- Development of our future Clinical Strategy.
- Secure a 'Good' rating from CQC.
- Analyze any change in clinical need for the current platforms LNAA utilizes.
- Re-evaluate and plan for a new retail landscape fit for present day and current trends in the Charity sector.
- Investment in Staff Programme.

The strategic report was approved by the Trustees of the Charity on 8 July 2021 and signed on its behalf by:

  
J E O'Hern FCA  
Chairman

## **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

### **Statement of Trustees' Responsibilities**

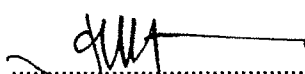
The Trustees (who are also the directors of The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the Trustees of the Charity on 8 July 2021 and signed on its behalf by:

  
.....  
J E O'Hern FCA  
Chairman

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Independent Auditor's Report to the Members of The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

### **Opinion**

We have audited the financial statements of The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 charitable parent company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 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 group and charitable parent 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**

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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 Trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.



## **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

### **Independent Auditor's Report to the Members of The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the Trustees (who are also the directors of the charitable parent company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the charitable parent 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.

## **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

### **Independent Auditor's Report to the Members of The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

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:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation.
- Identification of key laws and regulations central to the charities operations and review of compliance with such laws including a review of Charities Commission website.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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 parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the charitable parent company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable parent company's members and trustees 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 parent company and its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Carrie Anne Jensen ACA (Senior Statutory Auditor)  
For and on behalf of Forrester Boyd, Statutory Auditor

26 South Saint Mary's Gate  
Grimsby  
North East Lincolnshire  
DN31 1LW

8 July 2021

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Consolidated Statement of Financial Activities for the Year Ended 31 March 2021 (Including The Consolidated Statement of Comprehensive Income)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	3,653,522	316,152	3,969,674	7,547,236
Charitable activities	4	3,271,406	-	3,271,406	3,320,845
Other trading activities	5	112,535	-	112,535	667,616
Investment income	6	183,421	-	183,421	243,635
Total Income		<u>7,220,884</u>	<u>316,152</u>	<u>7,537,036</u>	<u>11,779,332</u>
<b>Expenditure on:</b>					
Raising funds	8.1	(637,802)	-	(637,802)	(1,903,764)
Charitable activities	7	<u>(6,657,027)</u>	<u>(27,143)</u>	<u>(6,684,170)</u>	<u>(4,471,507)</u>
Total Expenditure		<u>(7,294,829)</u>	<u>(27,143)</u>	<u>(7,321,972)</u>	<u>(6,375,271)</u>
Gains/losses on investment assets		<u>1,234,849</u>	<u>-</u>	<u>1,234,849</u>	<u>(684,925)</u>
Net income		<u>1,160,904</u>	<u>289,009</u>	<u>1,449,913</u>	<u>4,719,136</u>
Net movement in funds		1,160,904	289,009	1,449,913	4,719,136
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>14,974,416</u>	<u>2,618,200</u>	<u>17,592,616</u>	<u>12,873,480</u>
Total funds carried forward	24	<u>16,135,320</u>	<u>2,907,209</u>	<u>19,042,529</u>	<u>17,592,616</u>
			<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2020 £</b>
<b>Income and Endowments from:</b>					
Donations and legacies	3		4,963,086	2,584,150	7,547,236
Charitable activities	4		3,320,845	-	3,320,845
Other trading activities	5		667,616	-	667,616
Investment income	6		243,635	-	243,635
Total income			<u>9,195,182</u>	<u>2,584,150</u>	<u>11,779,332</u>
<b>Expenditure on:</b>					
Raising funds	8.1		(1,903,764)	-	(1,903,764)
Charitable activities	7		<u>(4,405,557)</u>	<u>(65,950)</u>	<u>(4,471,507)</u>
Total expenditure			<u>(6,309,321)</u>	<u>(65,950)</u>	<u>(6,375,271)</u>
Gains/losses on investment assets			<u>(684,925)</u>	<u>-</u>	<u>(684,925)</u>
Net income			<u>2,200,936</u>	<u>2,518,200</u>	<u>4,719,136</u>
Net movement in funds			2,200,936	2,518,200	4,719,136
<b>Reconciliation of funds</b>					
Total funds brought forward			<u>12,773,480</u>	<u>100,000</u>	<u>12,873,480</u>
Total funds carried forward	24		<u>14,974,416</u>	<u>2,618,200</u>	<u>17,592,616</u>


The notes on pages 22 to 41 form an integral part of these financial statements.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

(Registration number: 02788157)  
Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	6,160,889	2,162,327
Investments	16	<u>7,543,938</u>	<u>6,176,854</u>
		<u>13,704,827</u>	<u>8,339,181</u>
<b>Current assets</b>			
Stocks	17	18,224	20,391
Debtors	18	2,338,104	5,103,107
Cash at bank and in hand		<u>5,754,686</u>	<u>5,295,431</u>
		8,111,014	10,418,929
<b>Creditors: Amounts falling due within one year</b>	19	<u>(2,770,989)</u>	<u>(1,160,566)</u>
<b>Net current assets</b>		<u>5,340,025</u>	<u>9,258,363</u>
<b>Total assets less current liabilities</b>		19,044,852	17,597,544
<b>Provisions</b>	21	<u>(2,323)</u>	<u>(4,928)</u>
<b>Net assets</b>		<u>19,042,529</u>	<u>17,592,616</u>
<b>Funds of the group:</b>			
<b>Restricted</b>		2,907,209	2,618,200
<b>Unrestricted income funds</b>			
Unrestricted		<u>16,135,320</u>	<u>14,974,416</u>
<b>Total funds</b>	24	<u>19,042,529</u>	<u>17,592,616</u>

The financial statements on pages 17 to 41 were approved by the Trustees, and authorised for issue on 8 July 2021 and signed on their behalf by:

  
 .....  
 J E O'Hern FCA  
 Chairman

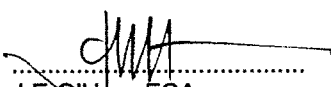


# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

(Registration number: 02788157)  
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	6,148,304	2,136,030
Investments	16	<u>7,543,940</u>	<u>6,176,856</u>
		<u>13,692,244</u>	<u>8,312,886</u>
<b>Current assets</b>			
Debtors	18	2,519,793	5,158,164
Cash at bank and in hand		<u>5,715,524</u>	<u>5,202,498</u>
		8,235,317	10,360,662
<b>Creditors: Amounts falling due within one year</b>	19	<u>(2,763,141)</u>	<u>(1,130,788)</u>
<b>Net current assets</b>		<u>5,472,176</u>	<u>9,229,874</u>
<b>Net assets</b>		<u>19,164,420</u>	<u>17,542,760</u>
<b>Funds of the Charity:</b>			
<b>Restricted</b>		2,907,209	2,618,200
<b>Unrestricted income funds</b>			
Unrestricted		<u>16,257,211</u>	<u>14,924,560</u>
<b>Total funds</b>	24	<u>19,164,420</u>	<u>17,542,760</u>

The financial statements on pages 17 to 41 were approved by the Trustees, and authorised for issue on 8 July 2021 and signed on their behalf by:

  
 J E O'Hern FCA  
 Chairman

The notes on pages 22 to 41 form an integral part of these financial statements.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Consolidated Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income		1,449,913	4,719,136
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	15	145,410	149,224
Investment income	6	(183,421)	(243,635)
Loss on disposal of tangible fixed assets	10	-	67,903
Profit on disposal of investments	10	(8,866)	(75,494)
Revaluation of investments	16	(1,224,230)	767,639
		<u>178,806</u>	<u>5,384,773</u>
<b>Working capital adjustments</b>			
Decrease in stocks	17	2,167	509
Decrease/(increase) in debtors	18	2,765,003	(4,389,461)
Increase in creditors		1,635,499	415,623
(Decrease)/increase in provisions	21	(2,605)	1,385
(Decrease)/increase in deferred income		(25,076)	97,732
Net cash flows from operating activities		<u>4,553,794</u>	<u>1,510,561</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	12,054	36,391
Purchase of tangible fixed assets	15	(4,143,972)	(1,132,675)
Sale of tangible fixed assets		-	367,564
Purchase of investments		(2,129,924)	(1,398,082)
Sale of investments		1,995,936	1,214,901
Income from dividends	6	171,367	207,244
Net cash flows from investing activities		<u>(4,094,539)</u>	<u>(704,657)</u>
Net increase in cash and cash equivalents		459,255	805,904
Cash and cash equivalents at 1 April		<u>5,295,431</u>	<u>4,489,527</u>
Cash and cash equivalents at 31 March		<u><u>5,754,686</u></u>	<u><u>5,295,431</u></u>

The notes on pages 22 to 41 form an integral part of these financial statements.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income		1,621,658	4,868,650
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	15	131,193	134,181
Investment income	6	(183,421)	(243,635)
(Profit)/loss on disposal of tangible fixed assets		-	71,203
Revaluation of investments	16	(1,224,230)	767,639
(Profit)/loss on disposal of investments		(8,866)	(75,494)
		<u>336,334</u>	<u>5,522,544</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	18	2,638,373	(4,488,368)
Increase in creditors	19	1,657,429	416,560
(Decrease)/increase in deferred income		(25,076)	97,732
Net cash flows from operating activities		<u>4,607,060</u>	<u>1,548,468</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	12,054	36,391
Purchase of tangible fixed assets	15	(4,143,467)	(1,111,115)
Sale of tangible fixed assets		-	364,264
Purchase of investments		(2,129,924)	(1,398,082)
Sale of investments		1,995,936	1,214,901
Income from dividends	6	171,367	207,244
Net cash flows from investing activities		<u>(4,094,034)</u>	<u>(686,397)</u>
Net increase in cash and cash equivalents		513,026	862,071
Cash and cash equivalents at 1 April		<u>5,202,498</u>	<u>4,340,427</u>
Cash and cash equivalents at 31 March		<u><u>5,715,524</u></u>	<u><u>5,202,498</u></u>

The notes on pages 22 to 41 form an integral part of these financial statements.

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **1 Charity status**

The Charity is limited by guarantee, incorporated in United Kingdom, and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

The address of its registered office is:

LNAA Headquarters  
HEMS Way  
Off Sleaford Road  
Lincoln  
LN4 2GW

These financial statements were authorised for issue by the Trustees on 8 July 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The accounts are prepared in sterling and are rounded to the nearest pound.

#### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a profit after tax for the financial year of £1,621,658 (2020 - £4,868,650).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **Going concern**

Specifically in connection with the current economic climate, the trustees have considered the impact of COVID-19 on the group and they are satisfied that the group has sufficient financial headroom to continue trading for at least the next twelve months. The group has made use of the government incentives including the furlough scheme, rates holiday and have also received retail government grants.

For this reason the financial statements have been prepared on a going concern basis.

### **Income and endowments**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

### **Donations and legacies**

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

### **Grants receivable**

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

### **Deferred income**

Income from the sale of lottery tickets is recognised when the draw it relates to has taken place. Any income received before the year end relating to a draw after the year end is accounted for as deferred income and carried forward to next year.

### **Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with Charities SORP (FRS 102), the general volunteer time is not recognised. Please refer to the Trustees' Annual Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of 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. A corresponding amount of expenditure is then recognised in the period of receipt.

### **Investment income**

Investment income on funds held is included when interest and dividends are receivable and the amount can be measured reliably by the charity. This is normally upon notification of the income paid or payable.

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably.

All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources and with central staff costs allocated on the basis of time spent.

The charitable group is registered for VAT and its income and expenditure are shown net of VAT, to the extent it is recoverable.

### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

### **Charitable activities**

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, on time spent by staff and utilisation of resources.

### **Governance costs**

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees's meetings and reimbursed expenses.

### **Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Tangible fixed assets**

Individual fixed assets (excluding investment assets) are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

There is no specific capitalisation threshold.

### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold land	Not provided
Freehold property	2%, 4%, 5% and 10% straight line
Fixtures, fittings and equipment	30% and 33% straight line
Motor vehicles	20% and 25% straight line
Assets under construction	Not provided

# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

The cost of land included in the balance sheet but not depreciated is £209,521.

### **Fixed asset investments**

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are recognised at the transaction price.

### **Provisions**

Provisions are recognised when the Charity has an obligation at the reporting date as a result of a past event, it is probable that the Charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

### **Fund structure**

Unrestricted income funds are general funds that are available for use at the Trustees's discretion in furtherance of the objectives of the group.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.



# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Financial instruments

#### Classification

The charity only has financial assets and financial liabilities that qualify as basic financial instruments.

#### Recognition and measurement

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fixed asset investments are measured at fair value, with gains and losses being recognised in the Statement of Financial Activities.

#### Investments

Investments in subsidiaries measured at cost less impairment.

### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations	1,128,784	-	1,128,784	1,258,043
Legacies	1,925,521	-	1,925,521	3,714,393
Grants, including capital grants;				
Government grants	599,217	-	599,217	2,518,200
Grants from other sources	-	316,152	316,152	-
Donated services and facilities	-	-	-	56,600
	<u>3,653,522</u>	<u>316,152</u>	<u>3,969,674</u>	<u>7,547,236</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts, although an estimate of the cost of staff required to manage the charity shops has been made and recognised within the accounts for the comparative period. Despite the shops not being open during most of the year volunteer hours are still estimated to be approximately 7,072 hours. If we were to pay retail assistants to carry out this work for us it would be at a minimum cost of £61,668 so the work of the volunteers really is invaluable.

Further details of government grants is given in note 9.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Lottery income	2,918,476	2,918,476	2,410,282
Fundraising and solicited donations	352,930	352,930	910,563
	<u>3,271,406</u>	<u>3,271,406</u>	<u>3,320,845</u>

### 5 Income from other trading activities

	General £	Total 2021 £	Total 2020 £
Trading income;			
Shop income from sale of donated goods and services	112,535	112,535	667,616
	<u>112,535</u>	<u>112,535</u>	<u>667,616</u>

### 6 Investment income

	General £	Total 2021 £	Unrestricted Total 2020 £
Income from dividends;			
Dividends receivable from other listed investments	171,367	171,367	207,244
Interest receivable and similar income;			
Interest receivable on bank deposits	12,054	12,054	36,391
	<u>183,421</u>	<u>183,421</u>	<u>243,635</u>

### 7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2021 £	2020 £
Operation of air ambulance	<u>5,480,357</u>	<u>1,203,813</u>	<u>6,684,170</u>	<u>4,471,507</u>

£6,647,117 (2020: £4,405,557) of the above expenditure was attributable to unrestricted funds and £27,143 (2020: £65,950) to restricted funds.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 8 Analysis of governance and support costs

#### 8.1 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Note	General £	Total 2021 £	Unrestricted Total 2020 £
Donated services and gifts in kind		-	-	56,600
Other direct costs of generating voluntary income		1,967	1,967	15,971
		<u>1,967</u>	<u>1,967</u>	<u>72,571</u>

##### b) Costs of trading activities

	Note	General £	Total 2021 £	Unrestricted Total 2020 £
Trading subsidiary costs		225,278	225,278	279,506
Lotteries and competitions		112,166	112,166	1,185,146
Staff Costs		<u>253,278</u>	<u>253,278</u>	<u>339,189</u>
		<u>590,722</u>	<u>590,722</u>	<u>1,803,841</u>

##### c) Investment management costs

	Note	General £	Total 2021 £	Unrestricted Total 2020 £
Other investment management costs;				
Amounts payable to investment managers		<u>45,113</u>	<u>45,113</u>	<u>27,352</u>
		<u>45,113</u>	<u>45,113</u>	<u>27,352</u>



**The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Support costs allocated to charitable activities

[illegible]

### Basis of allocation

Reference	Method of allocation
A	Allocated as spent

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Governance costs

	General £	Total 2021 £	Unrestricted Total 2020 £
Audit fees			
Audit of the financial statements	10,000	10,000	10,000
Legal fees	38,338	38,338	78,757
Other governance costs	523	523	-
	<u>48,861</u>	<u>48,861</u>	<u>88,757</u>

### 9 Government grants

During the year a government grant of £181,000 was received to support air operations, £228,909 was received via the Coronavirus Job Retention Scheme and £189,308 via Covid support retail grants.  
The amount of grants recognised in the financial statements was £599,217 (2020 - £2,518,200).

### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Operating leases - plant and machinery	1,541,593	1,347,732
Operating leases - other assets	102,934	113,897
Audit fees	10,000	10,000
Loss on disposal of tangible fixed assets	-	67,903
Profit/ (Loss) on disposal of investments	(8,866)	(75,494)
Depreciation of fixed assets	<u>145,410</u>	<u>149,224</u>

### 11 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,133,124	926,577
Social security costs	88,438	77,838
Pension costs	37,842	30,136
	<u>1,259,404</u>	<u>1,034,551</u>

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2021 No	2020 No
Charitable	12	15
Lottery	1	3
Management/Administration	11	7
Trading	9	16
	<u>33</u>	<u>41</u>

During the year, the group made redundancy payments which totalled £46,866 (2020 - £Nil).

The number of employees whose emoluments fell within the following bands was:

	2021 No	2020 No
£70,001 - £80,000	1	-
£80,001 - £90,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the group were £513,036 (2020 - £290,786).

### 13 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>10,000</u>	<u>10,000</u>

£2,000 (2018: £2,000) of the above amount was remuneration for the audit of the trading subsidiary.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 14 Taxation

The parent company is a registered charity and its activities are exempt from taxation. The trading subsidiary is subject to tax, but due to losses incurred in the year, a corporation tax refund of £8,691 is repayable for the year ended 31 March 2021.

### 15 Tangible fixed assets

#### Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2020	2,298,241	566,684	275,518	3,140,443
Additions	3,971,310	120,725	51,937	4,143,972
At 31 March 2021	6,269,551	687,409	327,455	7,284,415
<b>Depreciation</b>				
At 1 April 2020	303,963	487,225	186,928	978,116
Charge for the year	52,735	50,485	42,190	145,410
At 31 March 2021	356,698	537,710	229,118	1,123,526
<b>Net book value</b>				
At 31 March 2021	5,912,853	149,699	98,337	6,160,889
At 31 March 2020	1,994,278	79,459	88,590	2,162,327



# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2020	2,298,241	490,628	223,220	3,012,089
Additions	<u>3,971,310</u>	<u>120,220</u>	<u>51,937</u>	<u>4,143,467</u>
At 31 March 2021	<u>6,269,551</u>	<u>610,848</u>	<u>275,157</u>	<u>7,155,556</u>
<b>Depreciation</b>				
At 1 April 2020	303,963	422,271	149,825	876,059
Charge for the year	<u>52,735</u>	<u>41,333</u>	<u>37,125</u>	<u>131,193</u>
At 31 March 2021	<u>356,698</u>	<u>463,604</u>	<u>186,950</u>	<u>1,007,252</u>
<b>Net book value</b>				
At 31 March 2021	<u>5,912,853</u>	<u>147,244</u>	<u>88,207</u>	<u>6,148,304</u>
At 31 March 2020	<u>1,994,278</u>	<u>68,357</u>	<u>73,395</u>	<u>2,136,030</u>

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 16 Fixed asset investments

#### Group

	2021 £	2020 £
Other investments	<u>7,543,938</u>	<u>6,176,854</u>

#### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 April 2020	5,694,178	482,676	6,176,854
Revaluation	1,224,230	-	1,224,230
Additions	2,129,924	-	2,129,924
Disposals	<u>(1,580,453)</u>	<u>(406,617)</u>	<u>(1,987,070)</u>
At 31 March 2021	<u>7,467,879</u>	<u>76,059</u>	<u>7,543,938</u>
<b>Net book value</b>			
At 31 March 2021	<u>7,467,879</u>	<u>76,059</u>	<u>7,543,938</u>
At 31 March 2020	<u>5,694,178</u>	<u>482,676</u>	<u>6,176,854</u>

#### Charity

	2021 £	2020 £
Shares in group undertakings and participating interests	2	2
Other investments	<u>7,543,938</u>	<u>6,176,854</u>
	<u>7,543,940</u>	<u>6,176,856</u>

### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 April 2020	<u>2</u>	<u>2</u>
At 31 March 2021	<u>2</u>	<u>2</u>
<b>Net book value</b>		
At 31 March 2021	<u>2</u>	<u>2</u>
At 31 March 2020	<u>2</u>	<u>2</u>

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 April 2020	5,694,178	482,676	6,176,854
Revaluation	1,224,230	-	1,224,230
Additions	2,129,924	-	2,129,924
Disposals	(1,580,453)	(406,617)	(1,987,070)
At 31 March 2021	<u>7,467,879</u>	<u>76,059</u>	<u>7,543,938</u>
<b>Net book value</b>			
At 31 March 2021	<u>7,467,879</u>	<u>76,059</u>	<u>7,543,938</u>
At 31 March 2020	<u>5,694,178</u>	<u>482,676</u>	<u>6,176,854</u>

### Details of undertakings

Details of the investments in which the Charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
Ambucopter Trading Company Limited	United Kingdom	Ordinary Shares	100%	100%	Sale of souvenirs and donated goods to generate income for the benefit of The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Subsidiaries

The loss for the financial period of Ambucopter Trading Company Limited was £170,227 and the aggregate amount of capital and reserves at the end of the period was a deficit of £120,373.

### 17 Stock

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Stocks	<u>18,224</u>	<u>20,391</u>	<u>-</u>	<u>-</u>

### Group

The cost of stock recognised as an expense in the year amounted to £2,584 (2020 - £3,625).

### 18 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	1,058	5,705	-	5,180
Due from group undertakings	-	-	199,726	104,917
Prepayments	90,998	221,457	84,597	214,225
Accrued income	2,059,490	4,763,234	2,056,667	4,733,184
VAT recoverable	181,558	105,360	178,803	99,995
Other debtors	<u>5,000</u>	<u>7,351</u>	<u>-</u>	<u>663</u>
	<u>2,338,104</u>	<u>5,103,107</u>	<u>2,519,793</u>	<u>5,158,164</u>

### 19 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	190,344	620,571	188,444	608,625
Trading subsidiary corporation tax payable	(8,691)	8,691	-	-
Other taxation and social security	25,244	22,310	25,244	22,310
Other creditors	11,145	9,565	11,145	9,565
Accruals	2,202,066	123,472	2,187,427	114,331
Deferred income	<u>350,881</u>	<u>375,957</u>	<u>350,881</u>	<u>375,957</u>
	<u>2,770,989</u>	<u>1,160,566</u>	<u>2,763,141</u>	<u>1,130,788</u>



# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Deferred income Group

	2021 £	2020 £
Deferred income at 1 April 2020	(375,957)	(278,225)
Resources deferred in the period	(350,881)	(375,957)
Amounts released from previous periods	<u>375,957</u>	<u>278,225</u>
Deferred income at year end	<u>(350,881)</u>	<u>(375,957)</u>

### Charity

	2021 £	2020 £
Deferred income at 1 April 2020	(375,957)	(278,225)
Resources deferred in the period	(350,881)	(375,957)
Amounts released from previous periods	<u>375,957</u>	<u>278,225</u>
Deferred income at year end	<u>(350,881)</u>	<u>(375,957)</u>

Deferred income relates to lottery money and rent received in advance.

## 20 Obligations under leases and hire purchase contracts

### Operating lease commitments

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

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
<b>Other</b>				
Within one year	3,151,792	1,468,417	2,850,036	1,383,724
Between one and five years	11,529,475	6,201,815	11,400,144	5,962,673
After five years	<u>8,722,337</u>	<u>3,541,824</u>	<u>8,667,587</u>	<u>3,535,129</u>
	<u>23,403,604</u>	<u>11,212,056</u>	<u>22,917,767</u>	<u>10,881,526</u>

## 21 Provisions

### Group

Deferred tax relates to differences between accumulated depreciation and capital allowances.

## 22 Pension and other schemes

### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £37,842 (2020 - £30,136).

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 23 Commitments

#### Group

##### Capital commitments

The commitment in the prior year relates to a new headquarters which has been contracted for but not yet provided.

The total amount contracted for but not provided in the financial statements was £Nil (2020 - £3,948,854).

#### Charity

##### Capital commitments

The commitment in the prior year relates to a new headquarters which has been contracted for but not yet provided.

The total amount contracted for but not provided in the financial statements was £Nil (2020 - £3,948,854).

### 24 Funds

#### Group

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
<b>Unrestricted</b>					
General	8,474,416	7,220,884	(7,294,829)	1,234,849	9,635,320
Designated	6,500,000	-	-	-	6,500,000
<b>Total unrestricted</b>	14,974,416	7,220,884	(7,294,829)	1,234,849	16,135,320
<b>Restricted</b>	2,618,200	316,152	(27,143)	-	2,907,209
<b>Total funds</b>	17,592,616	7,537,036	(7,321,972)	1,234,849	19,042,529

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
<b>Unrestricted</b>						
General	11,961,480	9,195,182	(5,497,321)	(6,500,000)	(684,925)	8,474,416
Designated	812,000	-	(812,000)	6,500,000	-	6,500,000
<b>Total unrestricted</b>	12,773,480	9,195,182	(6,309,321)	-	(684,925)	14,974,416
<b>Restricted</b>	100,000	2,584,150	(65,950)	-	-	2,618,200
<b>Total funds</b>	12,873,480	11,779,332	(6,375,271)	-	(684,925)	17,592,616

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Charity

Charity	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
<b>Unrestricted</b>					
General	8,424,562	6,950,354	(6,852,554)	1,234,849	9,757,211
Designated	<u>6,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,500,000</u>
<b>Total unrestricted</b>	14,924,562	6,950,354	(6,852,554)	1,234,849	16,257,211
<b>Restricted</b>	<u>2,618,200</u>	<u>316,152</u>	<u>(27,143)</u>	<u>-</u>	<u>2,907,209</u>
<b>Total funds</b>	<u>17,542,762</u>	<u>7,266,506</u>	<u>(6,879,697)</u>	<u>1,234,849</u>	<u>19,164,420</u>

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
<b>Unrestricted</b>						
General	11,762,110	8,778,620	(4,931,245)	(6,500,000)	(684,925)	8,424,560
Designated	<u>812,000</u>	<u>-</u>	<u>(812,000)</u>	<u>6,500,000</u>	<u>-</u>	<u>6,500,000</u>
<b>Total unrestricted</b>	12,574,110	8,778,620	(5,743,245)	-	(684,925)	14,924,560
<b>Restricted</b>	<u>100,000</u>	<u>2,584,150</u>	<u>(65,950)</u>	<u>-</u>	<u>-</u>	<u>2,618,200</u>
<b>Total funds</b>	<u>12,674,110</u>	<u>11,362,770</u>	<u>(5,809,195)</u>	<u>-</u>	<u>(684,925)</u>	<u>17,542,760</u>

The specific purposes for which the funds are to be applied are as follows:

LIBOR funding of £700,000 has been received for a capital building project and has been designated to restricted reserves.

Funding from Secretary of State for Health and Social Care of £1,818,200 for a capital building project.

Funding from HELP for new helipad lights has been designated to restricted reserves along with the corresponding expenditure of £65,950.

Unrestricted funds are available for the purposes of the Charity, to be spent as the Trustees see fit in line with our charitable purpose. An element of these funds £6,500,000 has been defined as Designated Funds and earmarked as follows:

#### Covid Impact Income Fund (CIIF)

In view of the Coronavirus pandemic (March 2020 onwards), the negative impact on the Charity's ability to fundraise at its normal levels and the uncertain timescale for recovery, the Trustees have designated £6,000,000 into the CIIF in order to secure the required funds for the operation of our 24/7 service for the next two years, assuming income generation is reduced by 50%.

#### Planned Capital Expenditure Fund

Trustees have designated £500k for new equipment for the New HQ and Airbase.

# The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 25 Analysis of net assets between funds

#### Group

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General	Designated		
	£	£	£	£
Tangible fixed assets	6,160,889	-	-	6,160,889
Fixed asset investments	6,247,743	1,296,195	-	7,543,938
Current assets	-	5,203,805	2,907,209	8,111,014
Current liabilities	(2,770,989)	-	-	(2,770,989)
Provisions	(2,323)	-	-	(2,323)
Total net assets	<u>9,635,320</u>	<u>6,500,000</u>	<u>2,907,209</u>	<u>19,042,529</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General	Designated		
	£	£	£	£
Tangible fixed assets	2,162,327	-	-	2,162,327
Fixed asset investments	6,176,854	-	-	6,176,854
Current assets	1,300,729	6,500,000	2,618,200	10,418,929
Current liabilities	(1,160,566)	-	-	(1,160,566)
Provisions	(4,928)	-	-	(4,928)
Total net assets	<u>8,474,416</u>	<u>6,500,000</u>	<u>2,618,200</u>	<u>17,592,616</u>

#### Charity

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General	Other		
	£	£	£	£
Tangible fixed assets	5,587,737	-	-	5,587,737
Fixed asset investments	6,247,743	1,296,195	-	7,543,938
Current assets	124,303	5,203,805	2,907,209	8,235,317
Current liabilities	(2,192,626)	-	-	(2,192,626)
Total net assets	<u>9,767,157</u>	<u>6,500,000</u>	<u>2,907,209</u>	<u>19,174,366</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General	Designated		
	£	£	£	£
Tangible fixed assets	2,136,030	-	-	2,136,030
Fixed asset investments	6,176,856	-	-	6,176,856
Current assets	1,242,462	6,500,000	2,618,200	10,360,662
Current liabilities	(1,130,788)	-	-	(1,130,788)
Total net assets	<u>8,424,560</u>	<u>6,500,000</u>	<u>2,618,200</u>	<u>17,542,760</u>



# **The Lincolnshire and Nottinghamshire Air Ambulance Charitable Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **26 Analysis of net funds**

#### **Group**

	<b>At 1 April 2020 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	<u>5,295,431</u>	<u>459,255</u>	<u>5,754,686</u>
Net debt	<u>5,295,431</u>	<u>459,255</u>	<u>5,754,686</u>

### **27 Related party transactions**

#### **Group**

There were no related party transactions in the year.

#### **Charity**

There were no related party transactions in the year.

During the year the Charity made the following related party transactions:

#### **Ambucopter Trading Company Limited**

(100% owned subsidiary of Lincolnshire & Nottinghamshire Air Ambulance Charitable Trust)

Rent was charged to the subsidiary for use of the Mansfield Woodhouse charity shop of £18,250. There were also cross charges relating to salaries of £218,791 and a management recharge of £13,063. At the balance sheet date the amount due from Ambucopter Trading Company Limited was £199,726 (2020 - £104,917).

