

Yorkshire Air Ambulance Limited

Consolidated Financial Statements

Registered Number: 4053524

Charity Number: 1084305

Year Ended 31 March 2022

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Officers and Professional Advisers

The Board of Trustees

Peter Sunderland MBE, DL
Brian Chapman
James Eastwood
Mike Harrop
Kevin Hynes
Mark Jones (appointed 29 June 2021)
Vivian Lewis (resigned 30 April 2021)
Richard Marsh
Dr Judith Parker
John Samuel (resigned 25 February 2022)
Amarjit Singh
Paul Skelton (appointed 26 April 2022)

Company Secretary

Irene Heap (resigned 6 July 2022)
Heather Goodwill (appointed 22 March 2022)

Registered Office

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Elland
HX5 0HQ

Auditors

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Bankers

Lloyds Bank plc
6 Park Row
Leeds
LS1 1NX

Virgin Money
94 Albion Street
Leeds
LS1 6AG

Solicitors

Wrigleys
17-21 Cookridge Street,
Leeds
LS2 3AG

Investment Managers

Brewin Dolphin
10 Wellington Place
Leeds
LS1 4AN

Redmayne Bentley
9 Bond Court
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LS1 2JZ

Chairman's Statement

Summary of my report for the year ending 31 March 2021, I stated:

It is impossible to look forward into the future until we reach alert level 0, however, I do have faith in all the Charity's staff that they will work to achieve the best outcome possible and, as always, we are controlling our costs. Everyone involved with the Charity has given their tireless support and dedication to ensure that donations continue to enable the support needed to operate our life saving operational service across the Yorkshire region. I would also pay tribute to all our Trustees, medical crews, sponsors, volunteers, and supporters for their continuing and supportive involvement during this difficult time. Sadly, we had to cancel our 20th year celebrations and our annual recognition dinner in York planned for October 2020. We do, however hope to mark our 21st birthday next year instead.

The new Rapid Response cars and two new Promotional Unit vehicles have now been delivered and are fully operational. The mobile promotional units have been generously sponsored. These new vehicles are proving very effective in both the treatment of patients and the promotional vehicles will assist in our fundraising and operational awareness throughout the Yorkshire region.

As always, I would note my personal thanks and those of all the YAA Trustee Board, to the Senior Management Team and staff, and to all the [YAS] our Clinical Operations staff for their help and support to YAA over the year.

2020-2021 has been a difficult year for the Charity – with the COVID-19 crisis still ongoing. The strong financial base of the Charity, which has been built up over many years by prudent management of the funds so generously donated by the people of Yorkshire means that, unlike many other charitable organisations and businesses, YAA entered the COVID-19 crisis debt free. We can be confident that YAA will survive this challenging period in our lives and will continue to provide our life saving service for many years to come.

My sincere thanks to everybody who has supported the Charity over the last 21 years – you have all been instrumental in establishing the necessary funds to develop and maintain the Yorkshire Air Ambulance's facilities to "Save Lives across Yorkshire".

Please stay safe and continue to maintain your support for the Yorkshire Air Ambulance.

Key financial information is a very important part of our Charity's progress and development, and I am extremely pleased to report the outcome for our financial year ending 31 March 2022. Our total income was £8.6M, [which was 41% above our budgeted figure of £6.1M] and was split between donations and other income of £4.6M, and legacies of £4.0M. I must mention our legacy income for this last year which whilst lower than 2021, remains incredibly high and makes a significant contribution to the running costs of the YAA. Operational costs increased by 15% to £4.2M, 57% of this increase related directly to helicopter running costs. Net income for 2022 totalled £3.1M. The net assets value of the Charity increased by 8% and now stand at £42.8M.

Administration and fundraising expenditure were under budget with admin costs being 19% of income, leaving 81p in every £1 donated to be used for charitable activities, or for building reserves to cover the replacement of the existing helicopters and future developments. Our reserves policy and our levels of overhead expenditure are closely monitored by the Trustee Board and Senior Management Team and are reviewed monthly. We continue to build the Helicopter Replacement Reserve to ensure that our ability to provide the best level of life saving service, with the most up to date aircraft, for the benefit of all the people of Yorkshire. Our charitable fundraising expenditure has over the year increased by 10%, as fundraising activities resume, expenditure remains below budgeted expectations for the year ending March 2022.

Our Finance Department has seen several changes in staff due to retirement and sickness, however, under the guidance of Heather Goodwill, our Director of Finance, all our management information for our monthly Trustee Board meetings have been presented in a timely manner.

Chairman's Statement (*continued*)

Our Airbus H145 D2 helicopters are now nearly 7 years old and are still invaluable in providing the Yorkshire region with two modern mobile trauma units. We continue to fly night vision operations (NVIS) in the evenings and during the winter months. We continue to be able to operate the shift patterns that were agreed in 2017 with the Yorkshire Ambulance Service NHS Trust which are one 12hr shift out of RAF Topcliffe [07:00 to 19:00] and a two-shift operation [06:00 to 11:59 Monday to Friday, and 09:00 to 21:00 on Saturday & Sunday] from our Nostell airbase every day over the whole year. The Nostell based aircraft is also staffed with a consultant level Doctor on board from 09:00-21:00 every day.

The warranty on G-YAAC and G-YOAA has now expired. However, we have maintained a Power by the Hour support package [PBH] with Airbus Helicopters UK. We are also entering the 7th year of our 10-Year Fixed Price Maintenance Contract with Airbus UK. This will supplement our existing PBH contract which is already in place with Safran for our four helicopter engines. These ensure that our helicopters are well maintained with a cost effective and a regular monthly defined cost.

Our order for two new H145 D3 five bladed helicopters with improved avionics and new medical fit are now confirmed to commence operations in early March 2023 [call sign G-YAAA] and early June 2023 [call sign G-YORX]. As stated in my report last year, this is two years earlier than we originally planned. The major benefits for patients, flight operations and operating costs have been uppermost in our deliberations.

The Trustee Board and SMT have now also decided to retain one of our existing helicopters as a relief aircraft to give extra resilience when the new helicopters are out of service for their annual maintenance or to cover for unforeseen downtime. This will also save a sizeable cost due to the complexity of hiring a relief helicopter, and will provide even greater sustainable availability over the whole of the Yorkshire region with a rotatable fleet.

Neale Jacobs, our Director of Operations, continues to give major support in the ongoing development and advancement of our two Air Support Units. Having our main Air Support Unit bases at Nostell and RAF Topcliffe is only possible through the support of many people. I would offer my thanks to The Lord St Oswald of the Nostell Estate and the Station Commander at RAF Topcliffe, Group Captain Baz Dale. I would also add thanks to the Commanding Officer Major Jason Gascoigne QM and his team at the 4th Regiment Royal Artillery, Allenbrooke Barracks at Topcliffe for their continued support.

Our joint Directors of Fundraising for the two regions, Helen Callear – North & East Yorkshire and Kerry Dwyer West & South Yorkshire continue to manage our much improving incomes, donations, and legacies. Their supporting fundraising staff are also now fully back up to speed, as we emerge from Covid, and functioning well. Full details of their activities are highlighted in the Strategic and Trustee Report.

Capt. Steve Waudby, our Director of Aviation and Accountable Manager, maintains his duties and is at the forefront of the integration of our two new helicopters which will become fully operational in 2023. Capt. Owen McTeggart remains in position in the role of our Chief Pilot. Elaine Hunter has returned to the UK and is on standby as a relief pilot to cover holidays and sickness.

Abby Barmby, our Director of Marketing & Communications continues to ensure the YAA branding and communications is kept relevant and up to date. Her team makes sure the latest news is shared via our website and social media channels and our content is both engaging and interesting for everyone. They also continue to research and develop innovative communication platforms and channels to ensure the charity remains current and relevant to all. The team have also been working on enabling our website to process Direct Debits for regular donations and will also be introducing this service for our lottery in the not too distant future.

Simulator training facilities in Germany, which were suspended during the Covid pandemic, have now recommenced and training for both new Pilots and upskilling our existing Pilots will take place on the simulator. Regular training such as this is a mandatory requirement, and it is vitally important it is undertaken to keep all our pilots current and up to date. Our operations are still carried out under our own AOC (Aircraft Operators Certificate) and include regular audits from the CAA Flight Operations and Flight Engineer Inspectors.

Chairman's Statement (*continued*)

Our helicopters are crewed by highly trained and experienced medical teams comprising, Specialist Paramedics and Consultant level Doctors from Yorkshire Ambulance Service NHS Trust (YAS), and I would thank YAS and their Executive team of Kathryn Lavery (Chair of the Trustee Board), Rod Barnes (Chief Executive) and John Holden (Head of EPRR & Special Operations) for their continued support. I also add our thanks to Dr Steven Dykes, Acting Executive Medical Director, and Jackie Cole, Associate Director of Operations for all their support too. This team have again worked tirelessly over the last 12 months ensuring the YAA/YAS partnership was able to safely deliver the best possible and speedy medical trauma care to all the people of Yorkshire during the emergence from the COVID-19 pandemic. Sadly our Clinical Adviser Dr Jez Pinnell stepped back after over 15 years' service and on behalf of everyone at the Charity we extend our thanks and best wishes.

On the 20th October 2021, YAA hosted a joint strategy event, at Nostell, between YAS and YAA, which was attended by all the senior executives of YAS and the Trustees and senior managers of the YAA. Good progress was made in a short period of time and both organisations agreed that there was a need to further improve the various facilities of "our joint lifesaving service". Accordingly, eight 'Task & Finish' groups were created with a view to discussing all options for a final review by the joint YAS/YAA Partnership Board. At the end of the meeting the CEO of YAS and myself issued a joint statement of all the future long term aims and objects. One of the major items was to work towards having a doctor and paramedic on each of the two shifts at Nostell and also the single shift at Topcliffe.

We were finally able to celebrate our 20th anniversary, two years late, on the 15th of May 2022 at Bowcliffe Hall, Bramham where we brought together staff, trustees, crews, volunteers and their families to celebrate this milestone.

Last year our AGM was carried out via Zoom and sadly our annual recognition dinner had to be cancelled due to COVID-19. However, we are delighted to be holding our AGM and Recognition dinner this year on Thursday 20th October 2022 at the Principal Hotel in York.

On behalf of everyone at YAA, I would also sincerely thank our Patrons, Ambassadors and volunteers who promote the operation of the YAA across the Yorkshire region. I record our special thanks to our Patrons, Sir Geoffrey Boycott OBE, Gaynor Barnes and Jon Mitchell.

The financial support and benefit in kind support we receive from sponsors, businesses, and the people of Yorkshire and beyond is truly amazing [see the individual notations in the "Strategic & Trustee Report" section]. The Liz & Terry Bramall Foundation has over many years, given the YAA much valued support, which has enabled the achievement of so many of our long-term strategic aims and objectives, and for that we sincerely thank the Foundation. I would also add our grateful thanks to Yorkshire Charity Clay Days for again including YAA as benefactors of their annual event which has been a privilege to be part of.

I would also record a special thanks to David Oates, Group Managing Director of B. Braun Medical Ltd based in Sheffield, for his continuing help and support over many years, both in sponsorship and the use of the valuable B. Braun team, giving the Charity their most valued support. I would like to specifically add to this our thanks to Brian Chapman [now retired from B Braun] the YAA Vice-Chairman for supporting me, the Senior Management Team, and the Trustee Board.

Again, during the year there have been many important events and I would highlight a few of them. We have undertaken many visits to our Nostell Air Support Unit (outside of the national lockdowns). These have been extremely well received and have proved to be a very effective method of increasing still further, awareness of the Charity's operations throughout Yorkshire.

- On the 20th October 2021 we hosted a joint strategy day with YAS
- The Yorkshire Charity Clay Days & Vintage Car Rally hosted by Chris & Jill Blundell again proved to be great events.
- The Lord St Oswald, valued friend of the Charity and owner of the Nostell Estate, was made a Freeman of Wakefield MDC.
- Our fundraising partnership with Huddersfield Town Football Club has been rekindled.
- Eight VIP visits were hosted at the Nostell airbase, together with many visits from patients we had treated and donors with cheque presentations.

Chairman's Statement (*continued*)

Sadly, in February 2022 John Samuel retired from his position as a Trustee and I would, on behalf of all at YAA, wish to record our thanks to him for his help and support over his ten-year tenure on the Board. I was also pleased to welcome Paul Skelton in April 2022 as a new member to the Trustee Board.

The award-winning Helicopter ER series which depicts many of the factual lifesaving trauma incidents which YAA attends, is produced by Air TV and is a much-watched series on Discovery+. As always, this increases the local and national awareness of the lifesaving work of our aircrew. Their commentary "Intensive care in the air" during the screening of each episode is also reinforced by our Mission Statement.

CONCLUSION

We are constantly reviewing incomes and cashflow against our budgeted expectations and after 4 months of our financial year from 1st April 2022 we are seeing income (excluding legacies) 3% higher than our budgeted expectations and an increase of 26% above the income in the same period of our last financial year ending March 2021.

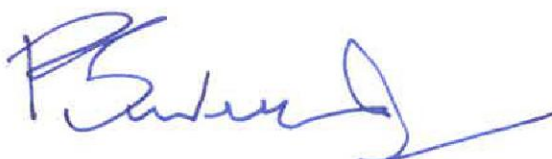
The new Rapid Response cars are fully operational and provide vital back support when weather or unscheduled maintenance on the helicopters is required. The promotional units have also seen much use during the spring and summer periods.

I would note my personal thanks and those of all the YAA Trustee Board, to the Senior Management Team and staff, and to Paul Holmes [YAS] our Acting Clinical Operations Manager for his help and support to YAA over the year.

2021-2022 has been a much-improved year for the Charity – with COVID-19 becoming easier to manage and the strong financial base of the Charity, which has been built up over many years by prudent management of the funds so generously donated by the people of Yorkshire.

With Covid 19 now under control, and the UK, post vaccination programme, back to more normal levels of operation, we can look forward to the future with greater confidence. Barring any further lockdowns or set backs, we are confident that incomes will be sufficient to meet our administration and operational actual costs and allow us to maintain our current position regarding our reserves policy.

My sincere thanks to everyone who has supported the Charity over the last 22 years – you have all been instrumental in establishing the necessary funds to develop and maintain your Yorkshire Air Ambulance's facilities to 'Save Lives across Yorkshire' - which is very much appreciated by all the team at the YAA.



Peter Sunderland MBE, DL
Chairman

Date: 27th September 2022

Strategic Report and Trustees' Report for the Year Ending 31 March 2022

The Trustees are pleased to present their Strategic Report and Trustee Report together with the Consolidated Financial Statements of the Charity and its subsidiaries for the year ending 31 March 2022 which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Our Purpose and Activities

The purpose of the YAA is the relief of sickness and injury, the protection of human life and the meeting of other medical need by the provision, support and use of air ambulance and other ambulance provision and logistic support.

The vision to support our activities is to provide a state-of-the-art air ambulance service where we can reach a critically injured patient anywhere within Yorkshire in the fastest possible time. Our service is available to anyone within the Yorkshire boundaries whether they be born and bred, living in the region, holiday makers or those passing through. If a serious incident happens within Yorkshire boundaries and requires our intervention, the YAA will respond. We aim to achieve this by having a helicopter stationed at each of our two Air Support Units – one at RAF Topcliffe, near Thirsk, and one at our facility at Nostell, near Wakefield. Our helicopters transport Yorkshire Ambulance Service NHS Trust (YAS) critical care teams to the scene of the incident and, where necessary, transport patients to the most appropriate major trauma centre or other hospital in the region. Most importantly our teams are able to start medical treatment of the patient at scene, which can often mean the difference between life and death. We really are 'intensive care in the air' carrying some of the most advanced medicines administered by a team of specially trained medics.

Our main fundraising focus has always been to educate the people of Yorkshire about the service we provide, and the fundraising practices we employ. We always aim to be transparent about this, as we are purely the custodians of the monies raised by our generous supporters. **We do not cold call, send unsolicited mail, door knock, chug or exchange donor details**, and we are very clear about this in our marketing and communications. Finally, we aim to inform our supporters how their money has been spent. We do this via working out in the community, face to face talks & presentations, via our website and social media platforms. For every £1 donated this year, 81p was spent to meet our charitable purpose - which is saving lives across Yorkshire.

FUNDRAISING - Achievements and Performance

Helen Callear, Director of Fundraising, North & East and Kerry Dwyer, Director of Fundraising, West & South

Fundraising has always been at the heart of everything we do – without the generous support of the people of Yorkshire, and other kind-hearted people who live further afield, we wouldn't be able to keep our helicopters in the air and helping to save lives.

Despite experiencing lasting effects of the pandemic, the charity achieved an income of £8.6M (2021 - £10M), which included legacy income. The principal sources of funding of the Charity are donations from the general public, legacies, grants received, charity of the year donations from companies, community groups, Mayors, the weekly YAA lottery, corporate donations, and support in kind. As a note, income for the previous year 2021 was strong after an unprecedented high legacy income and the recovery of the financial markets and our investments following the crash at the start of the pandemic. Income for this last financial year is more in line with previous years.

Excluding Legacy & In Memory income, Income totalled £4.6M and we continue to be well supported by Legacy & In Memory Income. It has been fantastic to experience a more normal year and for our teams to be out again in the Community doing what we do best! We will continue to focus on our recovery going forward.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 (continued)

Fundraising and publicity costs, and charitable expenditure for the year to 31st March 2022 totalled £5.9M (2021- £5.2M). This expenditure ensured YAA helicopter service availability for 365 days of the year apart from maintenance requirements.

The net consolidated assets of the YAA Charity now stand at £42.8M (as 31st March 2022). This includes £19.4M designated to replacement helicopter and maintenance reserves and £2.7M legacy income confirmed after probate that the charity will receive in due course.

Our financial results are only achievable because of the outstanding efforts of our charity team throughout the year, in particular our Fundraising team, who are out in the region seven days per week, raising awareness and building community relationships for the YAA. We must also mention our army of committed volunteers who support us by helping at the many, many community-based events we attend each year. However, the last few years has been particularly difficult for the whole team, with many events cancelled, postponed, or delayed. The Charity is now moving on from this and we are delighted to be out and about at events again. Normal service has very much been resumed, though the opportunity to host virtual, online events has been a welcome addition to our fundraising toolkit which will continue into coming years.

The charity prides itself on its fundraising ethics. This philosophy is emphasised to all of our employees and volunteers and helps us to ensure that no one feels obligated or pressurised into donating to the charity. Our fundraising team and volunteers support individuals, businesses, clubs and organisations when they are carrying out fundraising events and activities. We do not use any third-party fundraising organisations to carry out our fundraising activities.

The YAA and its Trustees value the charity's reputation as critical to its future success, and each month any complaints received by the charity are reported to the Trustees at their board meeting and, where necessary, fully investigated. We are pleased to report no complaints have been received via the Fundraising Regulator by the charity during either this year or the previous year.

Every year we continue to build strong relationships with our principal supporters. Many of these individuals, businesses and organisations have become like family over the years and we achieve a mutual benefit. We are also building on newer relationships throughout the region and look forward to working with them going forward. The following is a summary:

Air TV: the production company behind our award-winning television series Helicopter ER, Air TV are long-standing supporters of the YAA, and are very much part of our Charity family. As well as the production of Helicopter ER, Air TV also support us with valuable film footage, video production and regular media training for our fundraising and marketing teams.

ARCO: the Hull based, fourth generation family-owned business, is the UK's leading supplier of safety equipment, workwear, safety boots and shoes, gloves, and maintenance supplies. We have worked in partnership with ARCO for over 10 years now, with the logo taking a prominent position on both aircraft as part of a sponsorship agreement. Arco have continued to support us with the procurement of Health & Safety equipment and materials and have recently reconfirmed their commitment to the Charity.

B. Braun Medical Ltd: based in Sheffield, B. Braun Medical Ltd are our longest standing corporate supporter who came on board with the Charity back in 2003. Since then, the global medical supplies company have continued to support the YAA in all aspects of our operations and fundraising. As well as sponsoring our aircrew's helmets, B. Braun also provide their professional expertise and have more recently become proud sponsors of one of our promotional and educational vehicles as well as sponsoring our two fundraising vans in South Yorkshire.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 (continued)

Huddersfield Town Football Club: our partnership with Huddersfield Town Football Club continues and brings in valuable income from a variety of sources. Included in this is the annual and ever popular "Pedal for Pounds" bike ride. Income generated is shared equally between the Huddersfield Town Foundation and local charities chosen by the football club and the YAA, has raised over £2M since inception. After sadly having to cancel the last two bike rides due to the pandemic, we were delighted to see the return of the 10th ride which took place in May 2022 and saw cyclists ride from the John Smith's stadium in Huddersfield to Harrogate, and back again.

I'Anson Brothers Ltd: Masham based I'Anson Brothers are one of the UK's leading manufacturers of animal feedstuff. Managing Director Chris I'Anson has become a great friend to the YAA, and the company support us in many ways, including proudly carrying the YAA livery on their transport fleet. We are delighted to be in the second year of another 3-year sponsorship term with them, agreed last year.

The Jack Brunton Charitable Trust: the Trust was established in 1986 by local farmer and landowner, Jack Brunton. He gifted funds to benefit the rural villages, towns, and communities within the boundaries of the old North Riding of Yorkshire. Since 2012 the Trust has generously donated towards operational costs and buying essential helicopter and medical support equipment for both of our bases including night vision goggles, lifelike Simbodies training manikins and automated cardiopulmonary resuscitation machines.

James Potter Eggs: this family run business has supported the YAA for many years now by donating 1p from every dozen eggs they sell in their Yorkshire outlets, which include some national supermarket chains. They also promote the YAA by displaying our logo on their egg cartons and cardboard boxes and have recently raised a milestone £100K this way for the Charity.

Recycling Solutions: RS have really settled in well as our recycling partner, having taken over this valuable contract at the beginning of 2020. They have quickly grasped the concept and culture of the YAA and have proven to be a great partner. Recycling is a vitally important income stream for the Charity, and we know the scheme is in great hands with RS. We continue to work with them on growing and developing our network of sites where our recycling banks can be hosted.

Reed Boardall: based in Boroughbridge, Reed Boardall are one of the leading temperature-controlled food distribution businesses in the UK and are in their second year as part of the YAA corporate family. Reed Boardall support us with a sponsorship package, which sees their logo on our helicopters, and they also carry the YAA branding on some of their fleet, helping to promote awareness of our Charity.

Shepley Spring: this Huddersfield based family business has been supporting the YAA for a number of years now. They support the Charity with donations of bottles of their Ice Valley water for the many events we support each year and are supporting us in other ways, such as carrying our logo and a large image of our helicopters on the back of some of their large HGVs.

Koris365 (formally SICL): our IT and systems provider, Koris365 are another of our long-standing corporate supporters and came on board after seeing first hand our work at our old airbase over 15 years ago. Since then, they have provided our IT and network systems under sponsorship, saving the Charity hundreds of thousands of pounds over the years.

Sovereign Health Care: Bradford based Sovereign Health Care has supported the YAA for many years now. The not-for-profit company regularly make generous donations to us.

YorMed: YorMed are the newest of our principal partners, and last year celebrated their first year with the YAA family. YorMed are an independent ambulance service based in the City of York, providing a range of services that include Professional Ambulance Transport, First Aid and Medical Cover for events and festivals, Air Medical Repatriation and First Aid Training. YorMed have committed to a sponsorship package with us which sees their logo on our helicopters.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 (continued)

We are also very grateful to **The Liz and Terry Bramall Foundation** for their generous support of the YAA, plus other benefactors who wish to remain anonymous. You know who you are, and to you we send our most sincere thanks also.

In addition, we would like to thank **Lions International**, **Rotary International**, and **Yorkshire Freemasons** for their ongoing support.

We have been extremely grateful recipients of wonderful support over the last few years from **Yorkshire Charity Clay Days**, a prestigious clay pigeon shooting event at Duncombe Park in Helmsley. We thank the event organisers for their dedication to hosting this event, and for the other equally fabulous Mount St. John events, hosted by Chris and Jill Blundell, from which the Charity has also benefitted.

Fundraising - Plans for Future Periods

During the last couple of years, we have developed offerings of digital fundraising, hybrid, and online events which we have discovered continue to work well for us and we will develop this further over the coming year. We are continuing to develop the digital payment methods out in the field including working with Givetap to provide an app on the team's phones to take contactless donations as well as introducing QR codes which enable donors to scan and donate. We have a solid calendar of events that we continue to build on, and look to grow this over the next year. We have refreshed our Corporate Strategy and have ambitious plans for growth in this area. Work is currently taking place on developing our In Memory offering and we look forward to sharing more about this in due course. Of course, we are very much enjoying being out and about in the Community once again, attending events across the region which is always a huge part of what we do.

We are hoping that the future will now be brighter for fundraising, but the last few years have taught us valuable coping strategies, so we are prepared and will adapt should things get difficult again. With the cost-of-living crisis and the war in Ukraine, we understand that the Yorkshire people will have a tough time budgeting in the future. We do however hope that our loyal donors will continue to see the value of our wonderful life-saving service and continue to support us. We are proud of, and thankful for everyone who chooses to support the YAA.

Our sincerest thanks go to all the Charity staff and our fantastic team of volunteers for their positive can-do attitude and willingness to continue supporting the Charity, as we embrace normality again.

OPERATIONS

Air Operations – Steve Waudby, Director of Aviation

Aircraft and Medical Equipment. At the start of the last financial year the Charity signed a contract to purchase two new Airbus H145 D3 helicopters to replace our current D2 variants, which will be delivered in Spring and Summer of 2023. The process of detailing the specification of each aircraft was completed by the Summer of last year, albeit the medical fit took a little longer as we were also reviewing the medical equipment that we will be using in the future. Bucher Leichtbau are the company that provide our medical fit and they specialise in advanced solutions for air ambulance charities like ourselves. The new innovative roll-on/roll-off stretcher and medical equipment storage brackets will make it even quicker and safer to load and unload our patients without having to lift heavy medical equipment across the patient. The Charity are pleased to report that we have decided to renew our partnership with our long-standing service providers Airbus Helicopters UK (maintenance and airframe warranty) and Safran UK Ltd (Engine Support Services). This will ensure the highest cover and operational availability for our aircraft. Additionally, as per last year we also engaged the services of Gama Aviation who provided a lease aircraft for our pilots and crews to fly, whilst our own helicopters were away on their annual maintenance. This has allowed the Charity to maintain a much greater presence and support across our region during these lengthy maintenance periods.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 (continued)

Carbon Footprint. Our engine service provider Safran have offered the Charity sustainable aviation fuel (SAF) which is now in service with ADAC, Germany, on a 50/50% basis (SAF/Jet A1 mixture). It will be 5 years before they gain full approval for 100% SAF so we are waiting until then to decide whether to proceed. This would be a significant step in reducing our carbon footprint.

Part CAMO Approval. Earlier this year we were granted our new Part CAMO approval certificate which means we were the first Air Ambulance in the UK with our own Air Operator's Certificate to gain this approval. The change from Airworthiness Part M, Sub Part G to Part CAMO was a regulatory requirement and is largely to do with the introduction and regulation of Flight Safety Management into all aspects of Airworthiness. We now have an up-to-date stand-alone Safety Management Manual which is approved under Part CAMO. I am very grateful to our implementation team for their invaluable assistance during this transition.

Covid. Covid is still a significant factor in all our daily lives, and pretty much all of our staff have been off at least once with this illness in the last 12 months (since the general restrictions were lifted). Fortunately, the vaccine, masks and safe space measures that were put in place 2 years ago have limited the impact on our ability to continue to provide a critical care service across the region, and more importantly none of our staff have been too poorly with it. The resilience and dedication of our staff, who have gone out of their way to support each other during these difficult times, has been amazing and I can't thank them enough.

Partnership with YAS. We have been working closely with our partners at the Yorkshire Ambulance Service to look at ways in which we can provide an even better critical care service across our region. Whilst this will take several years to implement the aim is to have more Doctors on shift and to further increase the qualifications of our HEMS Paramedics. We are also looking at a new patient database following on from a recent review of our clinical operations.

To allow the critical care team to concentrate purely on their patients, the Charity has opted to employ our own Left Hand Seat Technical Crew Members, who will also be trained to be Emergency Care Assistants so that they can assist the critical care team on scene. Their main priority though is to assist the pilot in lookout responsibilities, navigation, communication and landing site selection. This is a new and exciting role which we are looking to implement in Autumn 2022.

Other new and exciting developments that are in the pipeline are the upgrade of our secure communications system to a new and improved Emergency Services Network, which will hopefully be introduced in late 2023/early 2024. The upgrade to satellite comms in our new aircraft will also see an improved communications capability in areas of poor reception (high ground where coverage is reduced due to blanking and fewer radio masts).

Training. Visits to the simulator are now split into 4 visits per year to help with maintaining operational cover at both bases and to reduce the pressure on the pilots during the visit to the simulator in Germany.

Summary. An extremely busy year on the back of the YAS Review and new aircraft purchase, coupled with 2 lease period negotiations, Part CAMO implementation and staffing shortages due to Covid. The Trustees have continued to support the Operations Team and I am extremely grateful for their advice and support. The Ops team have worked extremely hard during these difficult times which has tested everyone's patience. We can only achieve what we do with the goodwill of our crews and support staff and the continued support of our sponsors, fund raisers and partners, and I am very proud of their contributions and achievements and the part they have all played in saving lives across our region.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 (continued)

Ground Operations – Neale Jacobs, Director of Operations

Following on from last years report, it has been really pleasing to see things start to return to “normal” at our Air Support Units and the Charity HQ, Cayley House. Obviously, the situation was closely monitored throughout this period, and in line with the changes in the Government Covid guidelines alongside our own risk assessments and those of the Yorkshire Ambulance Service that affect our operational staff.

I reported last year we were looking to upgrade our video conferencing facilities at our Nostell Air Support Unit. I am pleased to confirm we now have a fully integrated video conference suite in our board room at the base, which allows much greater flexibility for hosting meetings. We have also introduced a live feed from our operational dispatch room, allowing us to show visitors our helicopter dispatch process without having to disturb the operational staff.

The double garage area for housing our promotional vehicles at the Nostell Air Support Unit was also completed. Unfortunately, there was a delay in the initial build happening due to the effect the pandemic has had upon the supply chain. The garage allows for the promotional vehicles to be stored under cover, safely and securely, especially during the winter months, and also provides much needed additional storage space for our fundraising teams.

RAF Topcliffe continues to serve us well as our Northern Air Support Unit. Discussions are ongoing with the Defence Infrastructure Organisation to extend our lease there and we have agreed the Heads of Terms with them in relation to the lease. However, we are aware that there will be some MOD base closures in the coming years and as such we are actively looking for alternate sites in and around the Topcliffe area to secure our long-term future in the Northern part of Yorkshire.

We continue to invest in our IT infrastructure, and projects completed or ongoing include server upgrades, new phone systems, and enhancements to our Customer Relations Management system. In addition, Cyber Security is of paramount importance, and we have been working closely with our IT partner Koris365 to ensure we keep on top of this threat, including the introduction of Multifactor Authentication across our staff platforms.

Our Head Office in Elland (Cayley House) continues to serve the Charity well. This is where the administration, finance, HR and marketing functions operate from on a daily basis. The primary change here has been how some of the teams now operate post pandemic. Some teams have now adopted a home/ office hybrid approach to working, dependent upon their functions.

Monthly Safety Action Group meetings and Operational Board meetings continue to be held with the Yorkshire Ambulance Service NHS Trust (YAS). The primary focus of the meetings is safety, patient care and future enhancements to the service we operate and provide great value to both the Charity and YAS. There are various working groups currently reviewing and implementing actions to further enhance the service we provide.

Financial Review

Income for the year to 31 March 2022 totalled £8,640,848 (2021 - £10,008,054). The principal sources of funding of the Charity are donations from the general public, legacies, grants received, becoming the Charity of the Year for companies, groups and Mayors, the Yorkshire Air Ambulance weekly lottery, and corporate donations and support in kind.

After fundraising and publicity costs, the net funds raised for charitable expenditure for the year to 31 March 2022 totalled £6,966,377 (2021 - £8,491,316). Charitable expenditure for the year totalled £4,220,892 (2021 - £3,678,448). This expenditure allowed the YAA helicopter service to be available 365 days of the year.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 **(continued)**

The net consolidated assets of the YAA Charity have increased by 8% and now stand at £42,774,703. With prudent management and close budgetary control, we have managed to control our administration and fundraising expenditure at 19% of income - leaving 81p in every £1 donated to be used for charitable activities or building reserves.

Copies of our Audited accounts and our AGM report are available from our HQ at Cayley House, Elland [01422 237900] – they are available both electronically and in hard copy formats [www.yaa.org.uk].

Going concern

Together with a disciplined management of costs, strong income performance has enabled the Charity to increase its net assets substantially. As a result, the Charity has sufficient liquidity in the form of both cash resources and realisable investments to maintain operations for the foreseeable future. The Charity has reported cash inflows over a number of years and these have been used to fund the replacement of the helicopters. The Trustees continue to plan for the future and are prudently setting aside funds both to acquire new helicopters and to develop the airbases to ensure that the most efficient and effective service possible is provided to the people of Yorkshire, whilst maintaining reserves for the ongoing operations and planning for the next generation of helicopters. The strength of the Charity's balance sheet including its liquid resources enable the Board to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Reserves Policy

The Trustees aspire to maintain a free cash balance which would be sufficient to sustain operations without any further funding for a period of 24 months. The free cash balance is the bank and investments balance net of restricted funds and the designated helicopter replacement and property development funds and net of current creditors/current debtors. At 31 March 2022, the free cash balance amounted to £6,846,590 (2021 – £6,848,404). This represents just under 19 months operating costs at the approximate running cost of £12,000 per day. The Trustees continue to plan for the future and are prudently setting aside designated funds to further develop the airbases to ensure that the most efficient and effective service possible is provided to the people of Yorkshire. A proportion of the free cash balance is invested in a portfolio of investments managed by Brewin Dolphin and Redmayne Bentley. As at 31 March 2022, the value of investments stood at £19,293,319 (2021 - £18,610,937).

The Trustees are replacing one helicopter in March 2023 and the other in June 2023, funds for this purpose are held within the Helicopter Replacement Reserve and total £15,000,000.

Investment Powers and Policy

The Trustees look to maintain an appropriate level of liquidity in cash balances for the operating requirements of the Charity. These balances are held within interest bearing accounts.

Funds in excess of those required for the Charity's short-term operating requirements are invested between longer term fixed interest bonds and a portfolio of investments managed, on our behalf, by Brewin Dolphin. The funds managed by Brewin Dolphin are held in two separate portfolios with different investment criteria. Both portfolios are regarded as cautious with one having a longer time horizon of up to ten years and the other up to only three years. In addition, Redmayne Bentley manages a share gift scheme on behalf of the charity and manages the portfolio of investment arising from these donations.

Strategic Report and Trustees' Report for the Year Ending 31 March 2022 (continued)

Risk Review

Following the annual review of risks and uncertainties, the principal risks that the Charity and its subsidiaries face are:

Aircraft on Ground (AOG) – we constantly evaluate the risk of our helicopters being grounded due to incidents occurring with the aircraft type or where maintenance is required on our own aircraft. In addition, during the year we have continued to operate a Service by the Hour (SBH) contract for the maintenance of the aircraft engines. This contract enables us to have quick access to spare engines and parts ensuring that the helicopters are back up and running, flying life-saving missions, in the quickest time possible following either scheduled or unscheduled maintenance.

Airbase not Operational – should one of our airbases not be operational, both of our helicopters could still be dispatched using the other air desk facility (i.e. we have an air desk at both bases) and in the short term we would temporarily operate both aircraft from the other base. Should the airbase not be operational in the longer term, we would look to operate one aircraft from another airbase in the region.

Damaged Reputation – YAA relies solely on the generosity of the people in Yorkshire to fund our operation and therefore how they perceive our service is critical to our continued success. Our fundraising strategy is to educate people about our Charity and how money would be spent. We do not cold call, mail shot, door knock, chug or exchange donor details. In addition, with the backdrop of social media which can provide information in seconds across the region, we have a PR and Social Media Policy and key staff members are media trained. We have an Emergency Response Plan which is regularly tested to ensure that an incident of any nature is dealt with in the most appropriate way.

Significant expenditure in foreign currencies – this risk, which relates to certain costs related to the maintenance of our current helicopters and the purchase of our new helicopters, is regularly monitored and discussed at Trustee Board.

Staff remuneration

The Trustees have formed a remuneration sub-committee which considers the appropriateness of the levels of remuneration of all of the charity's employees including the Senior Management Team. This sub-committee takes into account the competitiveness of the entire remuneration package, including bonus arrangements and compares them to industry and specialist benchmarks to ensure that the charity is able to retain and attract a suitably skilled team to deliver the charity's objectives.

Volunteers

In accordance with the Charities SORP (FRS102), the exemption has been taken not to recognise the value of donated assets or volunteer time as it is impractical to value.

Volunteers perform a variety of functions including acting as ambassadors for the charity, attending fundraising events, making presentations and assisting with administrative tasks.

Structure, Governance and Management

Reference and administrative details

Reference and administrative information set out on page 3 forms part of this report.

Charity number: 1084305

Company number: 4053524

Directors

The Directors who served the company during the year and since the year end were as follows: -

Peter Sunderland MBE, DL
Brian Chapman
James Eastwood
Mike Harrop
Kevin Hynes
Mark Jones (appointed 29 June 2021)
Vivian Lewis (resigned 30 April 2021)
Richard Marsh
Dr Judith Parker
John Samuel (resigned 25 February 2022)
Amarjit Singh
Paul Skelton (appointed 26 April 2022)

The directors guarantee to contribute an amount not exceeding £10 each to the assets of the charitable company in the event of winding up.

Governing Document

The Charity is a charitable company limited by guarantee and was incorporated on 16 August 2000 in England. It is governed by a Memorandum and Articles of Association which were last amended and ratified by the Trustees on 26 November 2013.

Organisational Structure

The company's day to day activities are the responsibility of its Board of Directors which meets regularly throughout the year. A Senior Management Team (SMT) is appointed by the Directors to manage the day to day operations of the Charity. The Senior Management Team comprises: -

Neale Jacobs – Director of Operations
Steve Waudby – Director of Aviation
Heather Goodwill – Director of Finance
Abby Barmby – Director of Marketing and Communications
Helen Callear – Director of Fundraising North and East
Kerry Dwyer – Director of Fundraising West and South

To facilitate effective operations, the SMT has authority, within terms of delegation approved by the Trustees, for operational matters including fundraising, operations, finance and employment. Strategic decisions are recommended by the SMT for final approval by the Board. As a result, the Board of Trustees is the key management personnel of the Charity.

Structure, Governance and Management *(continued)*

Related parties

The company has two wholly owned subsidiaries, Yorkshire Air Ambulance (Trading) Limited and Yorkshire Air Ambulance Services Limited. Yorkshire Air Ambulance (Trading) Limited undertakes non-charitable trading activities in order to raise funds for the Charity by operating our lottery. Yorkshire Air Ambulance Services Limited was dormant during the year.

Details of related party transactions are disclosed in Note 10.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The objects and principal activities of the Charity are the relief of sickness and injury and the protection of human life by the support or provision of an air ambulance service in the former administrative county of Yorkshire and surrounding areas.

A description of the achievements and performance of the Charity during the year is shown in the Strategic Report.

Appointment of Directors

Additional Directors may be appointed by the Board at any time, but such appointments are subject to ratification by the members in a general meeting. The membership of the company consists of the subscribers to its Memorandum and Articles of Association and other individuals or organisations admitted to membership at the discretion of the Board.

Trustees are recruited either by recommendation or by advertising in the appropriate press or journals to maintain a balance of skills and experience for the governance and strategic development of the Charity.

After a prospective Trustee has attended a number of Trustee meetings a resolution to appoint them as a Trustee will be proposed.

Director Induction and Training

New Trustees undergo an induction programme which includes: -

- An orientation day where they meet with key members of staff and Trustees.
- Reference to Charity Commission and Company Law guidance on their legal obligations and public benefit.
- An information pack containing Memorandum and Articles of Association, Board minutes, strategic plans, budgets and risk register.

Risk Management

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the Charity and its subsidiaries face.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The key risks and uncertainties are detailed in the Strategic Report.

Structure, Governance and Management *(continued)*

Disclosure of Information to Auditor

In so far as the Trustees are aware at the time of approving our Trustees' Annual Report: -

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

Auditor

Pursuant to Section 485 of the Companies Act 2006, the Auditor will be deemed to be reappointed and BHP LLP will therefore continue in office.

Signed on behalf of the Trustees by: -



Peter Sunderland MBE, DL
Chairman

Date: 27th September 2022

Statement of responsibilities of the Trustees of Yorkshire Air Ambulance Limited in respect of the Trustees' annual report and the financial statements

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

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019 (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members and trustees of Yorkshire Air Ambulance Limited

Opinion

We have audited the financial statements of Yorkshire Air Ambulance Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cashflow Statement and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022, 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 parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material

Independent auditor's report to the members and trustees of Yorkshire Air Ambulance Limited (continued)

Other information (continued)

misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report to the members and trustees of Yorkshire Air Ambulance Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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

We gained an understanding of the legal and regulatory framework applicable to the group and the sector in which it operates and considered the risk of acts by the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the group, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of minutes and review of legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

Use of our report

This report is made solely to the group and parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act, and to the group and parent charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and parent charitable company and the group and parent charitable company's members as a body and the group and parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



*Lesley Kendrew (Senior Statutory Auditor)
For and on behalf of BHP LLP, Statutory Auditor*

11th October 2022

New Chartford House
Centurion Way
Cleckheaton
Bradford
West Yorkshire
BD19 3QB

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

For the year ended 31 March 2022

		<i>Restricted Funds</i>	<i>Unrestricted and Designated Funds</i>	<i>2022</i>	<i>2021</i>
	<i>Note</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Income From:					
Donations	2	-	3,726,033	3,726,033	2,102,177
Legacies		-	4,041,915	4,041,915	6,867,394
Grants	3	39,880	145,702	185,582	392,872
Non-Charitable Trading	4	-	331,691	331,691	314,029
Investment Income		-	355,627	355,627	331,582
Total Income		39,880	8,600,968	8,640,848	10,008,054
Expenditure on:					
Raising Funds	5	-	(1,674,471)	(1,674,471)	(1,516,738)
Charitable Activities	5	-	(4,220,892)	(4,220,892)	(3,678,448)
Total Expenditure		-	(5,895,363)	(5,895,363)	(5,195,186)
Net Gains/(Losses) on Investments	12	-	389,164	389,164	3,545,321
Other (Losses)/ Gains	8	-	10,014	10,014	(10,014)
Net Income		39,880	3,104,783	3,144,663	8,348,175
Taxation	9	-	-	-	5,888
Transfers between Funds		(31,000)	31,000	-	-
Net Movement in Funds		8,880	3,135,783	3,144,663	8,354,063
Reconciliation of Funds:					
Total Funds b/f at 1 April		82,873	39,547,167	39,630,040	31,275,977
Total Funds c/f at 31 March	17	91,753	42,682,950	42,774,703	39,630,040

The group has no recognised gains or losses other than the results for the year as set out above.

All the activities of the Charity are classed as continuing.

The notes on pages 27- 44 form an integral part of the financial statements.

Consolidated Balance Sheet

At 31 March 2022

	<i>Note</i>	2022 £	2021 £
Fixed assets			
Tangible Assets	11	10,533,615	11,638,579
Investments	12	19,293,319	18,610,937
		<hr/>	<hr/>
		29,826,934	30,249,516
		<hr/>	<hr/>
Current assets			
Stocks	13	22,159	15,173
Debtors	14	8,489,625	4,071,678
Cash at bank and In Hand		5,084,607	5,873,285
		<hr/>	<hr/>
		13,596,391	9,960,136
		<hr/>	<hr/>
Creditors:			
Amounts Falling due within One Year	15	(648,622)	(579,612)
		<hr/>	<hr/>
Net Current Assets		12,947,769	9,380,524
		<hr/>	<hr/>
Net Assets		42,774,703	39,630,040
		<hr/>	<hr/>
Funds			
Unrestricted Funds	17	23,256,290	20,054,614
Designated Funds	17	19,426,660	19,492,553
Restricted Funds	17	91,753	82,873
		<hr/>	<hr/>
		42,774,703	39,630,040
		<hr/>	<hr/>

The Financial Statements were approved by the Trustees, authorised for issue and are signed on their behalf by:



Peter Sunderland MBE, DL
Chairman

Date: 27 SEPTEMBER 2022

Company No: 4053524

The notes on pages 27 to 44 form an integral part of these financial statements

Company Balance Sheet

At 31 March 2022

	<i>Note</i>	2022 £	2021 £
Fixed Assets			
Tangible Assets	11	10,533,615	11,638,579
Investments	12	19,318,322	18,635,940
		<hr/>	<hr/>
		29,851,937	30,274,519
		<hr/>	<hr/>
Current assets			
Stocks	13	22,159	15,173
Debtors	14	8,595,662	4,176,833
Cash at Bank and In Hand		4,965,076	5,754,394
		<hr/>	<hr/>
		13,582,897	9,946,400
Creditors:			
Amounts Falling Due within One Year	15	(635,128)	(565,876)
		<hr/>	<hr/>
Net Current Assets		12,947,769	9,380,524
		<hr/>	<hr/>
Net Assets		42,799,706	39,655,043
		<hr/>	<hr/>
Funds			
Unrestricted Funds	17	23,281,293	20,079,617
Designated Funds	17	19,426,660	19,492,553
Restricted Funds	17	91,753	82,873
		<hr/>	<hr/>
		42,799,706	39,665,043
		<hr/>	<hr/>

The financial statements were approved by the Trustees, authorised for issue and are signed on their behalf by:



Peter Sunderland MBE, DL
Chairman

Date: 27th September 2022

Company No: 4053524

The notes on pages 27 to 44 form an integral part of these financial statements

Consolidated Cashflow Statement

For the year ended 31 March 2022

	<i>Note</i>	2022 £	2021 £
Cash Flows from Operating Activities:			
Net Cash provided by Operating Activities	21	(677,802)	2,869,513
Cash Flows from Investing Activities:			
Dividends and Interest from Investments		357	404
Purchase of Fixed Assets		(173,286)	(388,537)
Disposal of Property, Plant and Equipment		-	85,741
Sale/(purchase) of Investments		62,053	71,547
Net Cash used in Investing Activities		(110,876)	(230,845)
Change in Cash and Cash Equivalents in the Reporting Period		(788,678)	2,638,668
Cash and Cash Equivalents at 1 April		5,873,285	3,234,617
Cash and Cash Equivalents at 31 March		5,084,607	5,873,285

The notes on pages 27 to 44 form an integral part of these financial statements

Notes

(Forming part of the Financial Statements)

1. Accounting Policies

Going Concern -

Together with a disciplined management of costs, strong income performance has enabled the Charity to increase its net assets substantially. As a result, the Charity has sufficient liquidity in the form of both cash resources and realisable investments to maintain operations for the foreseeable future. The Charity has reported cash inflows over a number of years and these have been used to fund the replacement of the helicopters. The Trustees continue to plan for the future and are prudently setting aside funds both to acquire new helicopters and to develop the airbases to ensure that the most efficient and effective service possible is provided to the people of Yorkshire, whilst maintaining reserves for the ongoing operations and planning for the next generation of helicopters. The strength of the Charity's balance sheet including its liquid resources enable the Board to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Accounting Convention

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 (FRS102) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are reported in pounds sterling which is the functional currency of the charity.

Assets and liabilities are recognised under the historical cost convention, with the exception of investments which are stated at market value, derivative financial instruments which are measured at fair value and assets held for resale which are measured at fair value less costs to sell.

Accounting Estimates involving Judgements and Future Possible Events

The preparation of financial statements requires the Trustees to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Trustees consider that the only key area requiring the use of estimates and judgements which may materially affect the financial statements is the carrying value and the rate of depreciation applied to the charity's helicopters and engines as disclosed in Note 11. The Trustees have mitigated this risk by entering into fixed cost maintenance and renewal arrangements which cover most of the material parts of the helicopters, including their engines, and as such substantially reduce the possibility of a material reduction in value of these key assets.

Regarding the possibility of material impact on the charity's assets of future events, the Trustees have invested substantial assets with independent fund managers as disclosed in Note 12. These investments include equities and other traded securities. A material reduction in the value of those investments due to reductions in market valuations could cause a reduction in the value of the charity's assets. The Trustees have taken steps to monitor closely the performance of the investment portfolio against specific benchmarks and have decided, after taking independent professional advice, to limit the level of risk undertaken by the portfolio.

Notes (continued)

1. Accounting Policies (continued)

Group Financial Statements

These financial statements consolidate the results of the company and its wholly owned subsidiaries, Yorkshire Air Ambulance (Trading) Limited and Yorkshire Air Ambulance Services Limited. A separate Statement of Financial Activities ("SOFA") (incorporating an income and expenditure account) for the company itself is not presented because the company has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of SORP (FRS102). The surplus of the parent company for the year was £3,058,017 (2021 - £8,258,685).

Company Status

The charity is a company limited by guarantee and constitutes a public benefit entity as defined by FRS102. The members of the company, who are also the Directors and Trustees, have each guaranteed to contribute no more than £10 in the event of the company being wound up.

Income

All income is included in the SOFA when the group is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income from donations and grants is recognised when receivable. Donations are stated net of associated fundraising costs where events are operated on the charity's behalf and the charity does not control the related expenditure.

Valuation of donations in kind is done at the charity's best estimate of the amount it would have to pay on the open market for equivalent goods or services.

For legacies, entitlement is regarded as the earlier of the charity being notified of an impending distribution or the legacy being received. Impending distributions are recognised in the Statement of Financial Activities when the following conditions are met:

- i) probate had been granted at the balance sheet date; and
- ii) the legacy value can be measured reliably.

Lottery ticket sales are recognised in line with the National Lottery draws carried out each Saturday. Sponsorship income is recognised in line with the relevant sponsorship agreements.

Income from donated goods is recognised at fair value upon receipt. For items where it is considered impractical to fair value on receipt (for example clothing), the donation income is recognised when sold.

Donations in Kind

Donations in kind are recognised as follows: -

- a) Assets given for distribution by the charity are included in the SOFA only when distributed.
- b) Assets and services given for use by the charity are included in the SOFA as income when receivable; and
- c) Donations in kind for subsequent conversion into cash by the charity are included in the accounting period in which the gift is sold.

In accordance with the Charities SORP (FRS102), the exemption has been taken not to recognise the value of donated assets or volunteer time as it is impractical to value.

Notes (continued)

1. Accounting Policies (continued)

Volunteers perform a variety of functions including acting as ambassadors for the charity, attending fundraising events, making presentations and assisting with administrative tasks

Expenditure

Expenditure is included in the SOFA on the accruals basis, inclusive of any irrecoverable value added tax. Liabilities are recognised when there is a legal or constructive obligation committing the company to the expenditure.

The majority of expenditure is directly attributable to one of the cost headings of expenditure on raising funds or expenditure on charitable activities. Any expenditure which is not directly attributable to a cost centre is apportioned between charitable activities and raising funds based on a suitable basis such as time spent by staff upon each function.

Expenditure on raising funds

Expenditure on raising funds relates to the raising of voluntary donations as well as the operation of the society lottery by the Charity's trading subsidiary Yorkshire Air Ambulance (Trading) Limited.

Charitable expenditure

Charitable expenditure relates to costs involved in the operation, maintenance and servicing of the Charity's two air ambulance helicopters. It also includes the costs incurred by the charity in meeting its statutory obligations.

Taxation

The charitable company is exempt from corporation tax on its charitable activities.

Tax on the profit or loss for the year within the subsidiaries comprises current and deferred tax. Tax is recognised in the consolidated income and expenditure account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes (continued)

1. Accounting Policies (continued)

Restricted funds

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

Designated funds

Designated funds comprise funds which have been set aside at the discretion of Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Unrestricted Funds

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

Fixed Assets and Depreciation

Fixed Assets are initially recorded at cost. Assets with a cost below £250 are not capitalised. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows: -

Freehold buildings	Written off over 10 to 50 years on a straight-line basis
Freehold land	Nil depreciation
Leasehold property improvements	Written off over 10 to 30 years on a straight-line basis
Helicopters (excluding engines)	Written off over 10 years to an estimated residual value on a straight line basis
Engines	No depreciation charged as a Service by the Hour cost which covers maintenance, overhaul and replacement of engines is expensed on a monthly basis. This cost replaces an engine depreciation charge.
Computer equipment	Written off over 3 to 10 years on a straight-line basis
Fixtures and fittings	Written off over 3 to 10 years on a straight-line basis

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the SOFA within depreciation.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight-line basis over the period of the lease.

Stocks

Stocks are valued at the lower of cost and net realisable value on a first in first out basis.

Assets held for resale

Assets are transferred from fixed assets into assets held for resale when a decision has been taken that they will be marketed for sale and a sale is highly probable. They are measured at fair value less costs to sell with any change in carrying value being recognised as depreciation within fixed assets prior to the transfer to assets held for resale.

Notes (continued)

1. Accounting Policies (continued)

Pension Costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the SOFA.

Foreign Currencies

The financial statements are presented in pound sterling, which is also the functional currency of the Group and the Company.

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Non-monetary assets denominated in foreign currencies are translated into sterling at the exchange rates ruling at the date of the transaction.

Interest Receivable

Interest receivable is accounted for on the accruals basis.

Basic Financial Instruments

Investments

Investments in subsidiary undertakings are included in the financial statements at cost. Listed investments are held for long term income producing purposes and are included at market value at the balance sheet date. The resulting unrealised surplus/deficit is included as a movement of funds in the SOFA.

Trade and other Debtors / Creditors

Trade and other debtors and creditors are recognised initially at transaction price plus or minus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits

Other Financial Instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Notes (continued)

2. Donations

	2022 £	2021 £
Donations	3,662,342	2,012,409
Donations in kind:		
Arco	5,000	10,000
B Braun Sheffield	30,000	50,000
DM Keith	8,470	7,260
Red Route	7,833	17,000
Other	12,388	5,508
	<hr/>	<hr/>
Subtotal - Donations in Kind	63,691	89,768
	<hr/>	<hr/>
	3,726,033	2,102,177
	<hr/>	<hr/>

Total donations include £nil (2021 - £nil) in relation to restricted funds and £3,726,033 (2021 - £2,102,177) in relation to unrestricted and designated funds.

3. Grants Receivable

	2022 £	2021 £
Receipts from Grant Making Trusts	185,582	392,872
	<hr/>	<hr/>

Total amounts include £39,880 (2021 - £72,220) in relation to restricted funds and £145,702 (2021 - £320,652) in relation to unrestricted and designated funds.

4. Non-Charitable Trading

	2022 £	2021 £
Lottery Ticket Sales	133,111	132,548
Sales of Merchandise	36,597	75,830
Sponsorship and Income from Sale of Logos	161,983	105,651
	<hr/>	<hr/>
	331,691	314,029
	<hr/>	<hr/>

All non-charitable trading income relates to unrestricted funds in both 2022 and 2021.

Notes (continued)

5. Analysis of Expenditure

Fundraising activities

	2022 Staff Costs £	2022 Depreciation £	2022 Other Costs £	2022 Total £	2021 Total £
Staff Costs	720,570	-	-	720,570	721,291
Depreciation	-	26,794	-	26,794	6,113
Event Costs	-	-	22,568	22,568	4,903
Travel and Subsistence	-	-	99,596	99,596	69,372
Telephone	-	-	8,971	8,971	8,842
Merchandise	-	-	85,503	85,503	41,964
Printing, Postage and Stationery	-	-	7,630	7,630	9,758
Marketing and Advertising	-	-	151,710	151,710	165,815
Lottery Costs	-	-	32,693	32,693	30,027
Other Fundraising Costs	-	-	28,809	28,809	27,475
Allocated Support Costs (see note 6)	246,101	23,395	220,131	489,627	431,178
	<u>966,671</u>	<u>50,189</u>	<u>657,611</u>	<u>1,674,471</u>	<u>1,516,738</u>

All expenditure on raising funds relates wholly to unrestricted funds in both 2022 and 2021.

	2022 Staff Costs £	2022 Depreciation £	2022 Other Costs £	2022 Total £	2021 Total £
Charitable activities					
Air Support Unit Costs	-	-	193,401	193,401	209,961
Helicopter Running Costs	-	-	1,584,894	1,584,894	1,277,336
Depreciation	-	1,218,449	-	1,218,449	1,157,341
Staff Costs	949,091	-	-	949,091	796,743
Auditor's Remuneration	-	-	18,465	18,465	13,720
Legal and Professional	-	-	138	138	1,110
Travel and Subsistence	-	-	22,547	22,547	10,495
Other Charitable Expenditure	-	-	32,754	32,754	42,955
Allocated Support Costs (see note 6)	101,106	9,611	90,436	201,153	168,787
	<u>1,050,197</u>	<u>1,228,060</u>	<u>1,942,635</u>	<u>4,220,892</u>	<u>3,678,448</u>
Total Expenditure	<u>2,016,868</u>	<u>1,278,249</u>	<u>2,600,246</u>	<u>5,895,363</u>	<u>5,195,186</u>

Expenditure on charitable activities includes £31,000 (2021 - £96,042) in relation to restricted funds and £4,189,892 (2021 - £3,582,406) in relation to unrestricted and designated funds.

Notes (continued)

5. Analysis of Expenditure (continued)

	2022 £	2021 £
<i>The net income for the year is stated after charging:</i>		
Operating Lease Costs Land and Buildings	45,000	39,375
Other	44,690	44,327
Fees paid to Auditor – Audit fees	18,465	13,720
Fees paid to Auditor – Taxation	1,330	1,330
	<hr/>	<hr/>

6. Support Costs

	2022 Staff Costs £	2022 Depreciation £	2022 Other Costs £	2022 Total £	2021 Total £
Support Staff Costs	347,207	-	-	347,207	323,566
Depreciation	-	33,006	-	33,006	31,618
Printing, Postage & Stationery	-	-	7,468	7,468	9,077
IT	-	-	128,001	128,001	102,373
Professional/Legal	-	-	79,365	79,365	70,601
Other Support Costs	-	-	95,733	95,733	62,730
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	347,207	33,006	310,567	690,780	599,965
Allocated as follows:					
Charitable Activities	101,106	9,611	90,436	201,153	168,787
Fundraising and Publicity	246,101	23,395	220,131	489,627	431,178
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Total governance costs in the year amounted to £27,834 (2021 - £22,101).

7. Staff Costs

	2022 £	2021 £
Wages and Salaries	1,488,436	1,459,207
Social Security Costs	157,004	155,347
Pension Costs	113,621	95,018
Other Staff Related Costs	257,807	132,028
	<hr/>	<hr/>
	2,016,868	1,841,600
	<hr/>	<hr/>

Notes (continued)

7. Staff Costs (continued)

Particulars of Employees

The average monthly number of staff employed by the group during the financial year amounted to:

	2022	2021
Fundraising	15	16
Operational	9	9
Administrative	14	13
	<hr/>	<hr/>
	38	38
	<hr/>	<hr/>

Contributions for all employees to defined contribution schemes which have all been recognised as an expense in the unrestricted section of the Statement of Financial Activities totalled £113,621 (2021 - £95,018). In addition, other staff related costs include £111,219 (2021 - £87,310) of amounts paid into defined contribution schemes as a result of salary exchange arrangements.

3 employees (2021 - 0) received emoluments during the year in the band £70,001 to £80,000.

4 employees (2021 - 5) received emoluments during the year in the band £80,001 to £90,000.

1 employee (2021 - 2) received emoluments during the year in the band of £90,001 to £100,000.

Contributions to defined contribution schemes which have all been recognised as an expense in the unrestricted fund of the Statement of Financial Activities totalled £52,327 (2021 - £43,669) for these employees. In addition, other staff related costs include £53,612 (2021 - £49,551) of amounts paid into defined contribution schemes as a result of salary exchange arrangements.

Key management personnel comprise the Trustees and Senior Management Team of the charity. The eleven Trustees who served during the year received no remuneration during the year (2021 - £nil). 3 Trustees (2021 - 1) received reimbursement for travel and subsistence of £1,581 (2021 - £28). The six members of the Senior Management Team (2021 - 7) who served during the year received a total remuneration of £411,765 (2021 - £413,357). They also received a total reimbursement for travel and subsistence of £7,866 (2021 - £2,567).

8. Other gains and losses

	2022 £	2021 £
Foreign currency (loss) /gain made on forward contracts	10,014	(10,014)
	<hr/>	<hr/>

9. Taxation

The charitable company is exempt from corporation tax on its charitable activities.

Taxation in 2021 included an adjustment for overprovision in prior years of £5,888.

Notes (continued)

10. Related Party Transactions

B Braun Limited is a related party as Brian Chapman (a director of Yorkshire Air Ambulance Limited) had an interest in this Company to May 2022. Paul Skelton appointed as a director in April 2022 also has an interest in this Company. During the year Yorkshire Air Ambulance Limited received sponsorship income of £24,666 (2021 - £39,889) from B Braun Limited and donations in kind totalling £30,000 (2021 - £50,000). £nil (2021 - £nil) was outstanding at the year end.

Yorkshire Air Ambulance (Trading) Limited is a wholly owned subsidiary of Yorkshire Air Ambulance Limited. During the year ended 31 March 2022 the charitable company recharged costs of £13,772 (2021 - £13,031) to Yorkshire Air Ambulance (Trading) Limited. The subsidiary owed £19,391 at 31 March 2022 (2021 - £9,777).

A Deed of Covenant was put in place during the year to 31 March 2021 under which Yorkshire Air Ambulance (Trading) Limited is committed to distributing its annual profits to Yorkshire Air Ambulance Limited. The amount committed for distribution in respect of the year to 31 March 2022 is £86,646.

11. Tangible Fixed Assets

Consolidated and Company

	Freehold Land and Buildings	Leasehold Property Improvements	Helicopters & Engines	Computer Equipment	Plant, Equipment Fixtures & Fittings & Vehicles	Total
	£	£	£	£	£	£
<i>Cost</i>						
At 1 April 2021	399,388	1,551,663	12,790,376	668,107	783,199	16,192,733
Additions	-	41,844	-	67,427	64,014	173,285
Disposals	-	-	-	-	-	-
At 31 March 2022	399,388	1,593,507	12,790,376	735,534	847,213	16,366,018
<i>Depreciation</i>						
At 1 April 2021	151,015	390,268	3,245,416	412,207	355,247	4,554,153
Charge for the Year	13,882	58,514	1,048,329	78,723	78,801	1,278,249
Eliminated on disposal	-	-	-	-	-	-
At 31 March 2022	164,897	448,782	4,293,745	490,930	434,048	5,832,402
<i>Net Book Value</i>						
At 31 March 2022	234,491	1,144,726	8,496,631	244,603	413,165	10,533,615
At 31 March 2021	248,373	1,161,395	9,544,960	255,899	427,952	11,638,579

Notes (continued)

12. Fixed asset investments

	Total 2022 £	Total 2021 £
Consolidated		
At 1 April	18,610,937	14,805,986
Additions at Cost	3,046,847	6,770,120
Disposals at Carrying Value	(2,976,513)	(3,150,857)
Income Received During the Year	355,271	331,178
Unrealised Gain/(Loss) on Investments	389,164	3,545,321
Change in Value of Cash Held in Portfolio	(132,387)	(3,690,811)
	<hr/>	<hr/>
At 31 March	19,293,319	18,610,937
	<hr/>	<hr/>

	Total 2022 £	Total 2021 £
Company		
At 1 April	18,635,940	14,830,989
Additions at Cost	3,046,847	6,770,120
Disposals at Carrying Value	(2,976,513)	(3,150,857)
Income Received During the Year	355,271	331,178
Unrealised (Loss)/Gain on Investments	389,164	3,545,321
Change in Value of Cash held in Portfolio	(132,387)	(3,690,811)
	<hr/>	<hr/>
At 31 March	19,318,322	18,635,940
	<hr/>	<hr/>

The analysis of investments held is:

	Total 2022 £	Total 2021 £
Analysis of Investments Measured at Fair Value – Consolidated		
UK Bonds	1,598,066	1,853,197
Overseas Bonds	1,890,653	1,637,844
UK Equities	3,652,048	3,869,512
Overseas Equities	7,676,562	7,997,718
Absolute Return	2,478,159	2,089,790
Property Funds	67,197	63,899
Other Investments	1,564,404	951,178
Cash	366,230	147,799
	<hr/>	<hr/>
Total	19,293,319	18,610,937
	<hr/>	<hr/>

Notes (continued)

12. Fixed Asset Investments (continued)

	Total 2022 £	Total 2021 £
Analysis of Investments Measured at Fair Value – Company		
UK Bonds	1,598,066	1,853,197
Overseas Bonds	1,890,653	1,637,844
UK Equities	3,652,048	3,869,512
Overseas Equities	7,676,562	7,997,718
Absolute Return	2,478,159	2,089,790
Property Funds	67,197	63,899
Other Investments	1,564,404	951,178
Cash	366,230	147,799
	<hr/>	<hr/>
Sub – Total Investments Measured at Fair Value	19,293,319	18,610,937
UK Subsidiaries Measured at Cost	25,003	25,003
	<hr/>	<hr/>
Total	19,318,322	18,635,940
	<hr/>	<hr/>

The investments noted above are managed on a portfolio basis by our appointed investment managers. The Trustees have agreed performance benchmarks with the investment managers and review the performance of the investment portfolios against those benchmarks on a quarterly basis. The benchmarks used are the MSCI WMA Balanced and the MSCI WMA Conservative measurements, but the Trustees also review performance against the FTSE 100 and FTSE All Share indices. The Trustees have not imposed any restrictions or guidelines in respect of social, ethical or environmental considerations on the investment managers. Income and capital gains/(losses) are therefore reviewed and attributed on a portfolio basis.

The details of the company's non-charitable trading subsidiary undertakings, both of which are registered in England and Wales are as follows: -

Subsidiary	Shares Held	Percentage Holding	Principal Activity
Yorkshire Air Ambulance (Trading) Limited (Co No 04053514)	2 Ordinary £1 Shares	100%	Promotion of a weekly lottery to generate funds
Yorkshire Air Ambulance Services Limited (Co No 05414029)	1 Ordinary £1 Share	100%	Dormant

Notes (continued)

12. Fixed Asset Investments (continued)

The registered address of both subsidiaries is Cayley House, 10 South Lane, Elland, Halifax, HX5 0HQ.
 A summary of the results and balance sheet of both subsidiaries is given below:

	Yorkshire Air Ambulance (Trading) Limited £	Yorkshire Air Ambulance Services Limited £	Total 2022 £	Total 2021 £
Turnover	133,111	-	133,111	132,548
Cost of Sales	(24,168)	-	(24,168)	(22,952)
Gross Profit	108,943	-	108,943	109,596
Administrative Expenses	(22,297)	-	(22,297)	(20,106)
Profit for the Financial Year	86,646	-	86,646	89,490
Tax credit	-	-	-	5,888
Profit for the Year	86,646	-	86,646	95,378
Assets	119,566	1	119,567	118,928
Liabilities	(119,530)	-	(119,530)	(118,891)
Shareholder's Funds	36	1	37	37

13. Stock (Consolidated and Company)

	Total 2022 £	Total 2021 £
Fuel	22,159	15,173
Total	22,159	15,173

Notes (continued)

14. Debtors

	Consolidated		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade Debtors	40,833	72,684	40,833	72,684
Amounts Owed by Group Undertakings	-	-	106,037	105,155
Other Debtors	-	13	-	13
Prepayments and Accrued Income	8,403,151	3,970,161	8,403,151	3,970,161
Taxation and Social Security	45,641	28,820	45,641	28,820
	<u>8,489,625</u>	<u>4,071,678</u>	<u>8,595,662</u>	<u>4,176,833</u>

The Prepayments and Accrued Income in 2022 include a deposit of £3.8m for the 2 replacement helicopters.

15. Creditors: Amounts Falling Due Within One Year

	Consolidated		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade Creditors	284,973	81,907	284,973	81,907
Other Creditors	20,379	18,863	20,379	18,863
Taxation and Social Security Costs	38,815	41,019	38,815	41,019
Accruals and Deferred Income	304,455	437,823	290,961	424,087
	<u>648,622</u>	<u>579,612</u>	<u>635,128</u>	<u>565,876</u>

Included within accruals and deferred income above is deferred sponsorship and lottery income as follows:

	Group	Company
	£	£
At 1 April 2021	110,163	99,269
Released from Previous Years	(110,163)	(99,269)
Deferred in the Year	<u>78,987</u>	<u>69,554</u>
At 31 March 2022	<u>78,987</u>	<u>69,554</u>

Notes (continued)

16. Commitments under Operating Leases

At 31 March the group had commitments under non-cancellable operating leases as set out below:

	Land and Buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Operating Leases Payments Due:				
Less than One Year	45,000	45,000	47,019	50,821
Within 2 to 5 Years	206,875	206,875	35,129	50,983
Greater than 5 years	74,375	74,375	-	-
	<u>326,250</u>	<u>326,250</u>	<u>82,148</u>	<u>101,804</u>

Notes (continued)

17. Movement in Funds

Consolidated

	<i>Balances at 1st April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains and Losses on Investments/ Taxation</i>	<i>Transfers Between Funds</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
Unrestricted funds	20,054,614	8,600,968	(5,829,470)	399,178	31,000	23,256,290
<i>Designated funds:</i>						
Helicopter Replacement Reserve	15,000,000	-	-	-	-	15,000,000
Helicopter Maintenance Fund	547,560	-	(65,893)	-	-	481,667
Property Development Funds	3,944,993	-	-	-	-	3,944,993
Designated Funds	19,492,553	-	(65,893)	-	-	19,426,660
Restricted Funds	82,873	39,880	-	-	(31,000)	91,753
Total Funds	39,630,040	8,640,848	(5,895,363)	399,178	-	42,774,703

Company

	<i>Balances at 1st April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains and Losses on Investments/ Taxation</i>	<i>Transfers Between Funds</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
Unrestricted Funds	20,079,617	8,600,968	(5,829,470)	399,178	31,000	23,281,293
Designated Funds	19,492,553	-	(65,893)	-	-	19,426,660
Restricted Funds	82,873	39,880	-	-	(31,000)	91,753
Total Funds	39,655,043	8,640,848	(5,895,363)	399,178	-	42,799,706

Notes (continued)

17. Movement in funds (continued)

The funds of the company include the following designated funds set aside by the Trustees:

Helicopter Replacement Reserve – the reserve is set aside for future helicopter replacement and will be utilised over the next two years. The Charity has ordered two new H145 D3 helicopter which will be delivered in March 2023 and June 2023.

Helicopter Maintenance Fund – the Charity's helicopters must be maintained to the highest level to ensure that they are available to respond rapidly and safely in providing our first-class response service. The Trustees set aside specific funds to ensure that this objective can be met.

Property Development Funds – funds set aside by the Trustees towards the continuous improvement and ongoing maintenance and repair costs of the Charity's headquarters and airbases.

Restricted funds have arisen because certain donors have requested that the income be spent for a particular purpose. These are separately maintained and transferred from restricted funds to unrestricted funds once the asset to which they relate has been purchased.

18. Analysis of consolidated net assets (between unrestricted funds, designated funds and restricted funds)

	Tangible Fixed Assets	Investments	Other Net Assets	Total
	£	£	£	£
Unrestricted Funds	10,533,615	348,326	12,374,349	23,256,290
Designated Funds	-	18,944,993	481,667	19,426,660
Restricted Funds	-	-	91,753	91,753
	<hr/>	<hr/>	<hr/>	<hr/>
	10,533,615	19,293,319	12,947,769	42,774,703
	<hr/>	<hr/>	<hr/>	<hr/>

19. Capital Commitments

At the balance sheet date, the Charity had no capital commitments (2021 - nil).

In May 2021 the Trustees ordered 2 new replacement helicopters. A deposit of £3.8m of has been paid during the year.

20. Financial Instruments

Investments

The fair value of investments classed as fair value through profit or loss is determined by reference to their market price at the balance sheet date.

Financial Assets at Fair Value Through Profit or Loss:

	Total 2022	Total 2021
	£	£
Investments	19,293,319	18,610,937
Forward Foreign Currency Contracts	-	903,141
	<hr/>	<hr/>

Notes (continued)

21. Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2022 £	2021 £
Group		
Net Movement in Funds for the Reporting Period	3,144,663	8,354,063
Adjustments for:		
Depreciation	1,278,249	1,195,072
Dividends, Interest and Rents from Investments	(355,627)	(331,582)
(Gain) / Loss on Investments	(389,164)	(3,545,321)
Decrease / (Increase) in Stocks	(6,986)	3,360
(Increase)/Decrease in Debtors	(4,417,947)	(2,845,396)
Increase/(Decrease) in Creditors	69,010	39,317
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	(677,802)	2,869,513
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