

Yorkshire Air Ambulance Limited

Consolidated Financial Statements

Registered Number: 4053524

Charity Number: 1084305

Year Ended 31 March 2023

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Officers and Professional Advisers

The Board of Trustees

Peter Sunderland MBE, DL (retired 30 June 2023)
Mike Harrop
Brian Chapman (resigned 27 October 2022)
James Eastwood
Kevin Hynes
Mark Jones
Virginia Lloyd (appointed 22 November 2022)
Richard Marsh
Dr Judith Parker
Amarjit Singh
Paul Skelton

Company Secretary

Heather Goodwill

Registered Office

Cayley House
10 South Lane
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
Leeds
LS1 2JZ

Chairman's Statement

(please note the Chairman's statement was prepared by our previous Chairman, Peter Sunderland who was in post on 31st March 2023, but retired on 30th June 2023)

In the summary of my last year's report, for the year ending 31 March 2022, I stated:

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 setbacks, 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 YAA.

With the Covid-19 lock downs now finished we were able to return to our normal activities with Trustees, SMT, Staff and Volunteers all ready and established to regain any lost ground that we had suffered during the pandemic.

The budget that was agreed by the Trustee Board was set at a realistic level - as always, key financial information is a very important part of our Charity's progress and development, and I am extremely pleased to report that the monthly management accounts for the year ending 31 March 2023, for the first time, showed donations including legacies of over £9m.

After the statutory requirements to adjust our year-end figures for legacy income and adjustments for donations of benefits in kind, our final income was £8.8m, [which was 14% above our budgeted figure of £7.7m]. This was split between donations and other income of £4.7m, and legacies of £4.1m. Total operational costs increased to £6.1m. Surplus of income minus expenditure for 2023 totalled £1.5m. The net assets value of the Charity increased by 3% and now stand at £44.2m. After the Charities SORP (FRS 102) adjustment to our year-end figures for legacy income and for donations of benefits in kind total expenses for Administration, Fundraising, Marketing and Finance were under budget with expenditure being 22% of donations, leaving 78p 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 for the future, a Helicopter replacement reserve to ensure that we have 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 Finance Director Heather Goodwill now has a full and resilient team in the finance department, and they play a vital and valuable role in supporting all Charity's financial operations, reconciliations, and policies.

Chairman's Statement (*continued*)

Our older Airbus H145 D2 helicopters are now nearly 8 years old and have been invaluable in providing the Yorkshire region with two modern mobile trauma units. We continue to fly night vision operations (NVIS) as and when required.

Our order for two new H145 D3 five bladed helicopters with improved avionics and new medical fit commenced operations in March 2023 [G-YAAA] and June 2023 [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.

Discussions have taken place with Gama Aviation following an approach from them to purchase G-YAAC and G-YOAA. The Trustee Board have decided to accept the offer from Gama and complete the sale of both helicopters before the end of 2023. We have also arranged with Gama for the guaranteed use of one of their spare helicopters to cover our maintenance periods up to the end of 2024. An additional helicopter has been ordered from Airbus and this will arrive in the Autumn of 2024. This will add extra resilience, as a relief helicopter 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 availability over the whole of the Yorkshire region with a rotational & robust fleet.

The two new helicopters are covered by an agreed two-year warranty, and we have also transferred our 'Power by the Hour' support package [PBH] with Airbus Helicopters UK. We have a two-year warranty from Safran on the engines [which are also covered on a PBH scheme]. We have also put in place a new deal with Airbus covering a 10-year period to provide regular scheduled maintenance. This ensures that our helicopters are well maintained with a cost effective and a regular monthly defined fixed charge.

Capt. Steve Waudby, our Director of Aviation and Accountable Manager, maintains his duties and is at the forefront of the integration of G-YAAA and G-YORX. Capt. Owen McTeggart remains in position as our Chief Pilot.

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. Simulator training facilities in Germany are provided to both new Pilots and upskilling our existing Pilots. Regular training such as this is a mandatory requirement, and it is vitally important it is undertaken to keep all of our Pilots current and up to date.

On the 20th October 2021, YAA hosted a joint strategy event at Nostell, between Yorkshire Ambulance Service NHS Trust (YAS) and YAA, which was attended by all the senior executives of YAS and the Trustees and senior managers of 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". All the eight agreed 'Task & Finish' groups have now met and provided their outcomes for discussion and agreement by the YAS/YAA Partnership Board. Following further discussions, an agreement was reached to continue to operate the existing shift patterns of 12hr shift out of RAF Topcliffe [07:00 to 19:00] and a two-shift operation [07:00 to 01:00] 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 will, in the longer term, be staffed by one senior level emergency care Doctor plus one Critical Care Paramedic.

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 Wing Commander Adey Hobson of RAF Topcliffe. I would also add thanks to the Commanding Officer Matt Brocklesby 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 income streams. Their supporting fundraising staff are now fully active, and full details of their activities are highlighted in the Strategic and Trustee Report.

Chairman's Statement (*continued*)

Sadly, in late 2022, our long-standing website, marketing and design agency ceased trading. A short-term plan was instigated until a full and thorough tender process could be undertaken to appoint a new agency. This process took place throughout May/June and we were pleased to appoint INA4/ The Ark to manage our website and design requirements going forward.

Abby Barmby, our Director of Marketing & Communications continues to ensure the YAA branding, and communications is kept relevant and up to date. Abby and her team make sure that all the latest news is shared via our website and social media channels and that the content is both engaging, relevant and interesting for everyone.

New ideas continue to be implemented and we ensure we are developing 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.

Our helicopters are crewed by highly trained and experienced medical teams comprising, Specialist Paramedics and Consultant level Doctors from YAS and I would thank their Executive team of Martin Havenhand (Chair of the Trustee Board), Rod Barnes (previous Chief Executive) and John Holden (previous Head of EPRR & Special Operations) for their continued support. Since writing this report Rod Barnes has subsequently moved to another position within the NHS and YAS have appointed new interim CEO, Dr Peter Reading. John Holden has also left YAS and we welcome Owen Hayward on his appointment to the role. I also add our thanks to Dr Steven Dykes (Acting Executive Medical Director), Nick Smith (Director of Operations) and Jackie Cole, (Deputy Director of Operations) for all their help and support. 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. Regular Partnership Board meetings take place between YAS/YAA.

On the 15th May 2022 at Bowcliffe Hall, Bramham we were able to celebrate our 20 years of operation – sadly due to Covid-19 this was two years later than originally planned. It was an excellent day for weather and was enjoyed by staff, trustees, crews, volunteers, and their families.

Our AGM took place at the Principal Hotel in York on the Thursday 20th October 2022, followed by our awards dinner in the evening, which we were able to celebrate in person with our distinguished guests and supporters. It also gave us the opportunity to recognise and reward many people and organisations that had supported us so well during the Covid-19 pandemic.

It is a CAA requirement that we have an annual test of our ERP [Emergency Response Plan] and this took place on the 21st January 2023 and concluded with a very positive outcome.

Over the years we have held regular Strategy Days and we (YAA Trustees and SMT) again met on the 22nd March 2023 to establish and review our strategy against a background of “where are we now”, “where do we want to be” and “how do we get there”. A positive day with full agreement on the outcomes, which are currently in the creation stage.

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

Financial worth of “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], although it is difficult to define the enormous value. We thank The Liz & Terry Bramall Foundation for their much-valued help and support over many years, which has enabled the YAA to achieve many of our long-term objectives. I would also add our grateful thanks to Yorkshire Charity Clay Days for again including YAA as benefactors of their annual event which took place in May – it was a privilege to be part of.

I would also record a special thanks to the now retired David Oates, who was Group Managing Director of B. Braun Medical Ltd based in Sheffield, for his continued help and support over many years, both in sponsorship

Chairman's Statement (*continued*)

and the use of the valuable B. Braun team, giving the Charity their most generous support. I would like to offer a special welcome Michael Parden as their new Managing Director following David's retirement.

During the year there have been many important events and we have undertaken many VIP visits to our Nostell Air Support Unit. These have been extremely well received and have proved to be a very effective method of increasing still further our awareness of the Charity's operations throughout Yorkshire, and the financial support that is involved.

Our long-term relationship with Air TV goes from strength to strength and their detailed programmes of our life saving work is seen via the popular TV series Helicopter ER. They have also over the years been the successful winners of several media industry award.

CONCLUSION

The first 3 months of the year ending March 2024 have started extremely well with incomes above budget and costs under budget.

The trustee board, SMT and staff are always prudent in the use of all our public donated funds, and at our monthly management meetings we carefully manage all our expenses and cashflow against budgeted expectations.

After nearly 20 years with the Charity, I announced in March 2023 that I planned to retire as Chairman and trustee at the end of June. I will sorely miss all the people that my wife Margaret and I have met over the years and will always consider that we will both evermore be part of the YAA family. I was also overwhelmed to be bestowed the honour and privilege of being appointed as a Patron.

I retire in the full knowledge that the Charity is in good heart, with adequate resources and funds to provide and enhance the life-saving service for the people of Yorkshire. Our previous Vice Chairman Mike Harrop has been appointed to the position of Chairman, and this took effect from the 1st July 2023. I record here my very best wishes to Mike in his new role, and I know he will be ably supported by our strong trustee board, senior management team and staff.

Obviously I leave with a heavy heart, but not without thanking everyone who has made my journey since joining the Charity in April 2004, a most exciting, memorable and unforgettable one – you have all been instrumental in establishing the necessary funds to develop and maintain the Yorkshire Air Ambulance's operation and to 'Save Lives Across Yorkshire' - which is very much appreciated by myself and all the team at YAA.

My best wishes,



Peter Sunderland MBE, DL
Past Chairman (retired as of 30th June 2023)

A note from our new Chairman:

Before we examine what the future holds for the Charity, I would like to look back briefly on Peter's 19 years of phenomenal service, dedication and achievements with the Charity. From humble beginnings with a rented aging helicopter operating from ramshackle accommodation to an air ambulance service operating 2 state of the art Airbus H145 D3 helicopters from two bases – one purpose built, and ever evolving to meet our operational needs, and a second site at RAF Topcliffe. Day light only operations gave way to a nighttime capable operation with night-vision goggles extending our ability to provide life-saving services. A remarkable transformation and a legacy that Peter has driven forward and one he can be justifiably enormously proud of. From everyone at the Yorkshire Air Ambulance and our partner YAS, I would like to take this opportunity to pass on our sincere and heartfelt thanks to Peter and Margaret for everything they have achieved together for the Charity and wish them all the very best for the future.

Chairman's Statement (*continued*)

The challenges facing the Charity continue to evolve with time and we are all now beginning to understand what the post-pandemic world looks like. Working practices have seemingly changed forever and, as the rising cost of living continues to affect everyone, the charity sector has also changed significantly. The Charity has been agile in refining its working practices and will continue to do so in the future to ensure that each and every donation is used diligently to maximise our ability to save more lives across Yorkshire. Having taken the decision to directly employ the whole of the flight deck crew for our helicopters, which has had the benefit of freeing up more of YAS's paramedics for frontline duties, this has increased our manpower costs. Consequently, we have challenged our Fundraising Directors to come up with innovations in their fundraising methodology. They have already risen to this challenge with alacrity and have submitted comprehensive and well-thought-out proposals for invigorating our existing lottery and engaging more with the corporate sector.

We have seen the operational benefits of the purpose-built air support unit at Nostell and we continue to aspire to have a second air support unit of similar quality. Despite our very best endeavours in working closely with both the Royal Air Force and the Defence Infrastructure Organisation, opportunities to significantly develop and reconfigure our air support unit at RAF Topcliffe will always be challenging. Whilst we continue to be extremely grateful for the RAF's support in allowing us to operate from Topcliffe, it would be remiss of us as a Charity not to explore other opportunities for a Northern air base. As such we continue to actively explore all options for alternative sites in and around the Thirsk area – the ideal location for serving the North and East of the County. I suspect that looking to the future this will be the next evolution of the Yorkshire Air Ambulance story and we will continue to be Saving Lives Across Yorkshire with increasing capacity and capability whilst continuing to reassure all our kind donors, sponsors and benefactors that the money that have kindly given into our stewardship will be wisely spent.

A final thought looking forward. From a personal perspective I started my journey with the Yorkshire Air Ambulance as a fundraising volunteer before being invited to become a trustee in 2019, bringing my previous work experience to complement those of my fellow trustees on the board. So, if like me you are extremely proud of what the Yorkshire Air Ambulance provides to, and means for, the people of Yorkshire then do get involved and help save a life in Yorkshire.


Mike Harrop (Sep 26, 2023 17:03 GMT+1)

Mike Harrop
Chairman

Date: 26 September 2023

Strategic Report and Trustees' Report for the Year Ending 31 March 2023

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 2023, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice 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 helicopters and other ambulance provision including Rapid Response Vehicles (RRVs) and logistic support.

At the heart of our activities is profound intention 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, and deliver a highly trained Critical Care Team to scene. 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. Ultimately, we are an airborne intensive surgical care unit and provide 'intensive care in the air' carrying some of the most advanced medicines and technology 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 sell/ profit from 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, 78p 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

The service we provide is entirely dependent on the generosity of the people of Yorkshire, donors further afield and visitors to our beautiful county. Without this support we simply would not be able to operate.

The support we receive does not seem to have diminished during the year ending March 2023 despite the challenges the world has faced, with the war in the Ukraine and Cost of Living Crisis. Our income of £8.8m (2022-£8.6m) includes 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. This growth in income shows a return to our pre-pandemic growth trajectory and is particularly welcome during continued challenging times.

Excluding Legacy & In Memory income, income totalled £4.7m and we continue to be well supported by Legacy & In Memory income. It has been both a joy and a relief to see the growth of the previous year culminating in the achievement of these record income figures, and is a testament to our wonderful teams of fundraisers, volunteers and donors acting as a measure of how well loved the charity has become.

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 (continued)

Fundraising and publicity costs, and charitable expenditure for the year to 31st March 2023 totalled £6.1m (2022- £5.9m). 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 £44.2m (as 31st March 2023). This includes £13.8m designated reserves and £2.8m 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 YAA. We are equally indebted to our army of committed volunteers who support us by helping at the many, many community-based events we attend each year. This fundraising structure enables us to control our costs, and provides the support our donors need to fundraise, giving them the recognition and thanks they deserve. This year we will be building on the digital skills we developed during the pandemic, and introducing some new methods of fundraising to give our donors more choices in how they choose to support us.

The charity prides itself on its fundraising ethics. This philosophy is deeply ingrained in how we interact with our donors. Our employees and volunteers help us to ensure that no one feels obligated or pressurised into donating to the charity. We will keep this founding principal in mind when developing our fundraising into the future, as we are very proud of this cornerstone.

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 and video production.

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 11 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 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.

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 YAA, has raised over £2m since inception.

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 (continued)

l'Anson Brothers Ltd: Masham based l'Anson Brothers are one of the UK's leading manufacturers of animal feedstuff. Managing Director Chris l'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 have agreed a new 3-year sponsorship term with their new Managing Director, Sarah Richardson.

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. This year, the Jack Brunton Charitable Trust's most recent donation meant they have now donated a total of over £500,000 to YAA, and we are extremely grateful to them for their generosity.

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 surpassed their milestone of donating £100,000 to YAA.

Recycling Solutions: Recycling solutions have really settled in well as our recycling partner, having taken over this valuable contract at the beginning of 2020. Recycling is a vitally important income stream for the Charity, this year we were extremely proud to have exceeded £500,000 income from the partnership. We continue to work with them on growing and developing our network of sites where our recycling banks can be hosted and developing our partnership even further.

Reed Boardall: based in Boroughbridge, Reed Boardall are one of the leading temperature-controlled food distribution businesses in the UK and are in their third year as part of the YAA corporate family. Reed Boardall supports 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: 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. They have had their 150-year anniversary this year and we look forward to continuing our relationship with their new CEO Neil McCallum.

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.

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.

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 (continued)

In addition, we would like to thank **Lions International**, **Rotary International**, and **Yorkshire Freemasons** (who have recently provided support for one of our two Mobile Education Units) 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

Over this next couple of years, we will be working on a Growth Income Strategy with the objective of achieving £10m by the end of financial year 2024/25. We have a clear plan in place of how to get there and will include growing existing income streams, as well as introducing new initiatives. As part of these plans, we will be outsourcing our Lottery to an external lottery manager organisation, which will also include a full rebrand. This is a very exciting move for us and will form part of our prize led fundraising plans going forward. Everything we do will be a full team effort and we do appreciate everyone's involvement working together to achieve our objectives. Any new activity or initiatives we introduce will still be in line with our ethical stance which is so important to us.

We will continue to embrace digital fundraising and we have now made taking card/contactless payments even more accessible to our fundraising team, including our volunteers. 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, attending events across the region which is always a huge part of what we do.

We do have ambitious plans, but the last few years have also taught us valuable coping strategies, so we are prepared and will adapt should things get difficult again. With the cost-of-living crisis continuing, we understand that the people of Yorkshire will have a challenging 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 dedication, hard work, enthusiasm, and willingness to continue supporting the Charity.

OPERATIONS

Air Operations – Steve Waudby, Director of Aviation

The past 12 months have literally flown by, and the Charity has seen some significant changes in several areas. In July last year we decided to directly employ our own left-hand-seat Technical Crew Members (TCMs), to permanently man the cockpit and to assist the pilot with operational aspects such as aircraft preparation, lookout, navigation and communication. The Charity introduced eight new TCM staff to free up the HEMS paramedics, and to allow the paramedics to concentrate on their Specialist Paramedic Critical Care roles in the future. The TCMs have already proved themselves up to the task by gaining their day and night line qualifications in record time and passing their Emergency Care Assistant (ECA) course examinations. They have now been fully integrated into our HEMS team and are a valuable addition to the Charity.

We have also taken on three new pilots who are now fully engaged in operations and already taking on other roles within the Charity, with another one pilot joining in October. With Covid-19 restrictions lifted, the aircrew have returned to the simulator in Germany and our Chief Pilot gained his Examiner Qualification which means we can do all of our aircrew testing in-house. Other staff changes include our new Continuing Airworthiness

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 (continued)

Manager Dave Crompton and new allocated Civil Aviation Authority (CAA) Flight Operations and Airworthiness inspectors.

The main news is that we have now taken delivery of our two new H145 D3 5-bladed helicopters (G-YAAA and G-YORX), and that they are both fully operational for day and night operations. The 5-bladed rotor head makes the aircraft incredibly smooth and a real pleasure to fly, a benefit which is also very important for our patients with severe head, neck, and back injuries. The new external cameras on the belly and tail allow the pilot to see behind and below when manoeuvring close to, and landing on rough terrain, something we haven't had before. The aircraft comes with its own wireless connectivity which means that all of the collected data from the flight is automatically downloaded via Wi-Fi direct to our engineers at Airbus, every time the aircraft lands back at base. We have a new and improved medical fit with a roll on/roll off stretcher which has already paid for itself by how quickly we can now load and unload a patient. The introduction of both helicopters went very smoothly, and I must thank everyone involved from Airbus Helicopters, Safran Engine Healthcare, our partners at YAS, our Compliance Managers, CAM, and Charity staff for all their hard work.

G-YOAA has now left us for its annual maintenance and will be sold thereafter. In the short term we will retain G-YAAC until the end of October this year to allow even greater operational availability, but it will also be sold at that time. We have also secured a deal in 2024 which will mean that we will have a lease aircraft during next year's annual/400-hour maintenance periods before the additional H145 D3 arrives later in 2024.

We have introduced a new patient database in the form of PHEMnet, which will help us move towards a more secure and beneficial reporting platform, one which will ensure greater clinical governance moving forward. It is hoped that we will soon be able to link this database with the receiving hospital's TARN system, which will further enhance the patient follow-up process.

I am pleased to report that the substantial delays we encountered last year in trying to get replacement parts through Customs has largely evaporated, and as a result our operational availability has improved. The main reason behind the improved availability though is having the benefit of a third aircraft, in that it takes just 20 minutes to bring the spare online in the event of a breakdown and/or unscheduled maintenance.

All of these improvements to the service come at a cost, and our fundraisers have certainly risen to the challenge. The annual income stream totalled £8.8m – what an incredible achievement, something we can all be proud of! Of course, we couldn't have done all this without the invaluable support from our other teams - admin, accounts, marketing and our partners at YAS, and we have been fully supported by our outgoing Chairman Peter Sunderland and the trustees at every step of the way. And to our sponsors, supporters and all the good people of Yorkshire who fundraise for us and remember us in their will, we couldn't do this without your help. You are just as much a part of this family as the operational and support staff, and we thank you all most sincerely.

Thank you and keep up the good work, as we continue "Saving Lives Across Yorkshire".

Ground Operations – Neale Jacobs, Director of Operations

Last year I reported that RAF Topcliffe continues to serve us well as our Northern Air Support Unit. However, we are still in discussions with the Defence Infrastructure Organisation to extend our lease there in the short term. Over the past 12 months we have been actively engaging with landowners regarding possible new sites to build a new Northern Air Support on. Unfortunately, despite good progress regarding a couple of sites we initially identified, we were ultimately unable to agree terms for these sites and so we continue to explore other options. We are confident that this search will result in securing the long-term future of a base in the North Yorkshire region in the not-too-distant future.

We are continuing to invest in our IT infrastructure, with various projects ongoing. We have commissioned a full cyber security review of all the charities IT infrastructure and provision. This review is being completed by a third-party organisation and will ensure the charity is up to date in this ever-evolving critical area.

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 (continued)

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. It is really pleasing to see that all the teams based here are fully staffed as required following some staff members moving onto new challenges. Our key focus now is upon retention and ensuring these teams grow through ongoing training and development.

Monthly 'safety action group' meetings and 'operational board' meetings continue to be held with 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 YAA 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 2023 totalled £8.8m (2022 - £8.6m). 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 2023 totalled £6.8m (2022 - £7.0m). Charitable expenditure for the year totalled £4.2m (2022 - £4.2m). This expenditure allowed the YAA helicopter service to be available 365 days of the year.

The net consolidated assets of the YAA Charity have increased by 3% and now stand at £44.2m. With prudent management and close budgetary control, we have managed to control our administration and fundraising expenditure at 22% of income - leaving 78p 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 2023, the free cash balance amounted to £4,828k (2022 – £6,847k). This represents just over 8 months (2022 – 19 months) operating costs at the approximate running cost of £19k per day. The reduction is temporary, during the period where new aircraft have been purchased and the sale of the old aircraft hasn't completed. The reduction is also compounded by the increase in running costs from £12k to £19k 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

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 (continued)

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 2023, the value of investments stood at £14.8m (2022 - £19.3m).

The Trustees are purchasing one helicopter in October 2024, funds for this purpose are held within the Helicopter Replacement Reserve and total £7.8m.

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.

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.

Reduction in income – the impact of economic and social changes may reduce fundraising opportunities. The Fundraising team regularly review income streams and opportunities to ensure income opportunities are maximised.

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.

Strategic Report and Trustees' Report for the Year Ending 31 March 2023 **(continued)**

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 (retired 30 June 2023)
Mike Harrop
Brian Chapman (resigned 27 October 2022)
James Eastwood
Kevin Hynes
Mark Jones
Virginia Lloyd (appointed 22 November 2022)
Richard Marsh
Dr Judith Parker
Amarjit Singh
Paul Skelton

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: -


Mike Harrop (Sep 26, 2023 17:03 GMT+1)

Mike Harrop
Chairman

Date: 26 September 2023

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 (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and its subsidiaries and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and its subsidiaries 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 its subsidiaries 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 2023 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 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 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 and 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 trustees 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 strategic report and 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20 the trustees (who are also the directors of the parent 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 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 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

We have been appointed under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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)*

accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit>. This description forms part of our auditor's report.

Use of our report

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



Sep 27, 2023

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

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

BHP LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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

For the year ended 31 March 2023

	Note	Restricted Funds £'000	Unrestricted and Designated Funds £'000	2023 £'000	2022 £'000
Income From:					
Donations	2	-	3,633	3,633	3,726
Legacies		-	4,116	4,116	4,042
Grants	3	69	209	278	185
Non-Charitable Trading	4	-	311	311	332
Investment Income		-	421	421	356
Total Income		69	8,690	8,759	8,641
Expenditure on:					
Raising Funds	5	-	(1,921)	(1,921)	(1,674)
Charitable Activities	5	-	(4,158)	(4,158)	(4,221)
Total Expenditure		-	(6,079)	(6,079)	(5,895)
Net Gains/(Losses) on Investments	12	-	(1,224)	(1,224)	389
Other (Losses)/ Gains	8	-	-	-	10
Net Income		69	1,387	1,456	3,145
Taxation	9	-	-	-	-
Transfers between Funds		(72)	72	-	-
Net Movement in Funds		(3)	1,459	1,456	3,145
Reconciliation of Funds:					
Total Funds b/f at 1 April		92	42,683	42,775	39,630
Total Funds c/f at 31 March	17	89	44,142	44,231	42,775

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 28- 45 form an integral part of the financial statements.

Consolidated Balance Sheet

At 31 March 2023

	Note	2023 £'000	2022 £'000
Fixed assets			
Tangible Assets	11	21,911	10,534
Investments	12	14,809	19,293
		<hr/>	<hr/>
		36,720	29,827
		<hr/>	<hr/>
Current assets			
Stocks	13	26	22
Debtors	14	5,269	8,490
Cash at bank and In Hand		2,698	5,084
		<hr/>	<hr/>
		7,993	13,596
		<hr/>	<hr/>
Creditors:			
Amounts Falling due within One Year	15	(481)	(648)
		<hr/>	<hr/>
Net Current Assets		7,512	12,948
		<hr/>	<hr/>
Net Assets		44,231	42,775
		<hr/>	<hr/>
Funds			
Unrestricted Funds	17	30,342	23,256
Designated Funds	17	13,800	19,427
Restricted Funds	17	89	92
		<hr/>	<hr/>
		44,231	42,775
		<hr/>	<hr/>

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


Mike Harrop (Sep 26, 2023 17:03 GMT+1)

Mike Harrop
Chairman

Date: 26 September 2023

Company No: 4053524

The notes on pages 28 to 45 form an integral part of these financial statements

Company Balance Sheet

At 31 March 2023

	Note	2023 £'000	2022 £'000
Fixed Assets			
Tangible Assets	11	21,911	10,534
Investments	12	14,834	19,318
		<hr/>	<hr/>
		36,745	29,852
		<hr/>	<hr/>
Current assets			
Stocks	13	26	22
Debtors	14	5,379	8,596
Cash at Bank and In Hand		2,576	4,965
		<hr/>	<hr/>
		7,981	13,583
Creditors:			
Amounts Falling Due within One Year	15	(470)	(635)
		<hr/>	<hr/>
Net Current Assets		7,511	12,948
		<hr/>	<hr/>
Net Assets		44,256	42,800
		<hr/>	<hr/>
Funds			
Unrestricted Funds	17	30,367	23,281
Designated Funds	17	13,800	19,427
Restricted Funds	17	89	92
		<hr/>	<hr/>
		44,256	42,800
		<hr/>	<hr/>

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

Mike Harrop
Mike Harrop (Sep 26, 2023 17:03 GMT+1)

Mike Harrop
Chairman

Date: 26 September 2023

Company No: 4053524

The notes on pages 28 to 45 form an integral part of these financial statements

Consolidated Cashflow Statement

For the year ended 31 March 2023

	<i>Note</i>	2023 £'000	2022 £'000
Cash Flows from Operating Activities:			
Net Cash provided by Operating Activities	21	6,195	(678)
Cash Flows from Investing Activities:			
Dividends and Interest from Investments		4	-
Purchase of Fixed Assets		(12,281)	(173)
Disposal of Property, Plant and Equipment		-	-
Sale/(purchase) of Investments		3,695	62
		<hr/>	<hr/>
Net Cash used in Investing Activities		(8,582)	(111)
		<hr/>	<hr/>
Change in Cash and Cash Equivalents in the Reporting Period		(2,386)	(789)
		<hr/>	<hr/>
Cash and Cash Equivalents at 1 April		5,084	5,873
Cash and Cash Equivalents at 31 March		2,698	5,084
		<hr/>	<hr/>

The notes on pages 28 to 45 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 thousands of pounds sterling, which is the functional currency of the charity. Prior to this financial year the charity's financial statements had been reported in pounds sterling.

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 £1,381k (2022 - £3,058k).

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 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.

Assets under construction are not depreciated.

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

	2023 £'000	2022 £'000
Donations	3,592	3,662
Donations in kind:		
Arco	5	5
B Braun Sheffield	2	30
DM Keith	9	9
Red Route	3	8
Catherine Harmison	9	-
Other	13	12
	<hr/>	<hr/>
Subtotal - Donations in Kind	41	64
	<hr/>	<hr/>
	3,633	3,726
	<hr/>	<hr/>

Total donations include £nil (2022 - £nil) in relation to restricted funds and £3,633k (2022 - £3,726k) in relation to unrestricted and designated funds.

3. Grants Receivable

	2023 £'000	2022 £'000
Receipts from Grant Making Trusts	278	185
	<hr/>	<hr/>

Total amounts include £69k (2022 - £40k) in relation to restricted funds and £209k (2022 - £145k) in relation to unrestricted and designated funds.

4. Non-Charitable Trading

	2023 £'000	2022 £'000
Lottery Ticket Sales	121	133
Sales of Merchandise	26	37
Sponsorship and Income from Sale of Logos	164	162
	<hr/>	<hr/>
	311	332
	<hr/>	<hr/>

All non-charitable trading income relates to unrestricted funds in both 2023 and 2022.

Notes (continued)

5. Analysis of Expenditure

Fundraising activities

	2023 Staff Costs £'000	2023 Depreciation £'000	2023 Other Costs £'000	2023 Total £'000	2022 Total £'000
Staff Costs	859	-	-	859	720
Depreciation	-	27	-	27	27
Event Costs	-	-	97	97	22
Travel and Subsistence	-	-	110	110	99
Telephone	-	-	8	8	9
Merchandise	-	-	49	49	85
Printing, Postage and Stationery	-	-	5	5	8
Marketing and Advertising	-	-	117	117	152
Lottery Costs	-	-	30	30	33
Other Fundraising Costs	-	-	22	22	29
Allocated Support Costs (see note 6)	242	27	328	597	490
	<u>1,101</u>	<u>54</u>	<u>766</u>	<u>1,921</u>	<u>1,674</u>

All expenditure on raising funds relates wholly to unrestricted funds in both 2023 and 2022.

	2023 Staff Costs £'000	2023 Depreciation £'000	2023 Other Costs £'000	2023 Total £'000	2022 Total £'000
Charitable activities					
Air Support Unit Costs	-	-	224	224	193
Helicopter Running Costs	-	-	1,691	1,691	1,585
Depreciation	-	839	-	839	1,219
Staff Costs	1,053	-	-	1,053	949
Auditor's Remuneration	-	-	16	16	18
Legal and Professional	-	-	-	-	-
Travel and Subsistence	-	-	43	43	23
Other Charitable Expenditure	-	-	44	44	33
Allocated Support Costs (see note 6)	101	11	136	248	201
	<u>1,154</u>	<u>850</u>	<u>2,154</u>	<u>4,158</u>	<u>4,221</u>
Total Expenditure	<u>2,255</u>	<u>904</u>	<u>2,920</u>	<u>6,079</u>	<u>5,895</u>

Expenditure on charitable activities includes £72k (2022 - £31k) in relation to restricted funds and £4,086k (2022 - £4,190k) in relation to unrestricted and designated funds.

	2023	2022
	£'000	£'000
<i>The net income for the year is stated after charging:</i>		
Operating Lease Costs Land and Buildings	45	45
Other	50	45
Fees paid to Auditor – Audit fees	16	15
Fees paid to Auditor – Taxation	2	1

	2023 Staff Costs £'000	2023 Depreciation £'000	2023 Other Costs £'000	2023 Total £'000	2022 Total £'000
Support Staff Costs	343	-	-	343	347
Depreciation	-	38	-	38	33
Printing, Postage & Stationery	-	-	9	9	8
IT	-	-	155	155	128
Professional/Legal	-	-	89	89	79
Other Support Costs	-	-	211	211	96
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	343	38	464	845	691
Allocated as follows:					
Charitable Activities	101	11	136	248	201
Fundraising and Publicity	242	27	328	597	490

	2023	2022
	£'000	£'000
Wages and Salaries	1,667	1,488
Social Security Costs	179	157
Pension Costs	126	114
Other Staff Related Costs	283	258
	<hr/>	<hr/>
	2,255	2,017

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:

	2023	2022
Fundraising	18	15
Operational	11	9
Administrative	14	14
	<hr/>	<hr/>
	43	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 £126k (2022 - £114k). In addition, other staff related costs include £123k (2022- £111k) of amounts paid into defined contribution schemes as a result of salary exchange arrangements.

1 employee (2022 – 0) received emoluments during the year in the band £60,001 to £70,000.

1 employee (2022 – 3) received emoluments during the year in the band £70,001 to £80,000.

3 employees (2022 – 4) received emoluments during the year in the band £80,001 to £90,000.

3 employees (2022 - 1) 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 £56k (2022 - £52k) for these employees. In addition, other staff related costs include £67k (2022 - £54k) 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 (2022 - £nil). 4 Trustees (2022 – 3) received reimbursement for travel and subsistence of £3k (2022 - £2k). The six members of the Senior Management Team (2022 – 6) who served during the year received a total remuneration of £438k (2022 - £412k). They also received a total reimbursement for travel and subsistence of £8k (2022 - £8k).

8. Other gains and losses

	2023 £'000	2022 £'000
Foreign currency (loss) /gain made on forward contracts	-	10
	<hr/>	<hr/>

9. Taxation

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

Notes (continued)

10. Related Party Transactions

B Braun Limited is a related party as Brian Chapman (resigned as director of Yorkshire Air Ambulance Limited Oct 22) 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 £26k (2022 - £25k) from B Braun Limited and donations in kind totalling £2k (2022 - £30k). £nil (2022 - £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 2023 the charitable company recharged costs of £16k (2022 - £14k) to Yorkshire Air Ambulance (Trading) Limited. The subsidiary owed £35k at 31 March 2023 (2022 - £19k).

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 2023 is £75k.

11. Tangible Fixed Assets

Consolidated and Company

	Freehold Land and Buildings	Leasehold Property Improvements	Helicopters & Engines	Computer Equipment	Plant, Equipment Fixtures & Fittings & Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<i>Cost</i>						
At 1 April 2022	399	1,594	12,790	736	847	16,366
Additions	-	6	12,243	29	3	12,281
Disposals	-	-	-	-	-	-
At 31 March 2023	399	1,600	25,033	765	850	28,647
<i>Depreciation</i>						
At 1 April 2022	165	449	4,293	491	434	5,832
Charge for the Year	14	54	683	82	71	904
Eliminated on disposal	-	-	-	-	-	-
At 31 March 2023	179	503	4,976	573	505	6,736
<i>Net Book Value</i>						
At 31 March 2022	234	1,145	8,497	245	413	10,534
At 31 March 2023	220	1,097	20,057	192	345	21,911

Helicopters and Engines include £4.5m assets under construction and will not be depreciated until they are in use.

Notes (continued)

12. Fixed asset investments

	Total 2023 £'000	Total 2022 £'000
Consolidated		
At 1 April	19,293	18,611
Additions at Cost	1,184	3,047
Disposals at Carrying Value	(5,776)	(2,977)
Income Received During the Year	435	355
Unrealised Gain/(Loss) on Investments	(1,224)	389
Change in Value of Cash Held in Portfolio	897	(132)
	<hr/>	<hr/>
At 31 March	14,809	19,293
	<hr/>	<hr/>

	Total 2023 £'000	Total 2022 £'000
Company		
At 1 April	19,318	18,636
Additions at Cost	1,184	3,047
Disposals at Carrying Value	(5,776)	(2,977)
Income Received During the Year	435	355
Unrealised (Loss)/Gain on Investments	(1,224)	389
Change in Value of Cash held in Portfolio	897	(132)
	<hr/>	<hr/>
At 31 March	14,834	19,318
	<hr/>	<hr/>

The analysis of investments held is:

	Total 2023 £	Total 2022 £
Analysis of Investments Measured at Fair Value – Consolidated		
UK Bonds	995	1,598
Overseas Bonds	1,059	1,891
UK Equities	2,760	3,652
Overseas Equities	5,958	7,677
Absolute Return	1,408	2,478
Property Funds	-	67
Other Investments	929	1,564
Cash	1,700	366
	<hr/>	<hr/>
Total	14,809	19,293
	<hr/>	<hr/>

Notes (continued)

12. Fixed Asset Investments (continued)

	Total 2023 £'000	Total 2022 £'000
Analysis of Investments Measured at Fair Value – Company		
UK Bonds	995	1,598
Overseas Bonds	1,059	1,891
UK Equities	2,760	3,652
Overseas Equities	5,958	7,677
Absolute Return	1,408	2,478
Property Funds	-	67
Other Investments	929	1,564
Cash	1,700	366
	<hr/>	<hr/>
Sub – Total Investments Measured at Fair Value	14,809	19,293
UK Subsidiaries Measured at Cost	25	25
	<hr/>	<hr/>
Total	14,834	19,318
	<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 £'000	Yorkshire Air Ambulance Services Limited £'000	Total 2023 £'000	Total 2022 £'000
Turnover	121	-	121	133
Cost of Sales	(26)	-	(26)	(24)
	<hr/>	<hr/>	<hr/>	<hr/>
Gross Profit	95	-	95	109
Administrative Expenses	(20)	-	(20)	(22)
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the Financial Year	75	-	75	87
Tax credit	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the Year	75	-	75	87
	<hr/>	<hr/>	<hr/>	<hr/>
Assets	122	-	122	120
Liabilities	(122)	-	(122)	(120)
	<hr/>	<hr/>	<hr/>	<hr/>
Shareholder's Funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

13. Stock (Consolidated and Company)

	Total 2023 £'000	Total 2022 £'000
Fuel	26	22
	<hr/>	<hr/>
Total	26	22
	<hr/>	<hr/>

14. Debtors

	Consolidated		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade Debtors	50	41	50	41
Amounts Owed by Group Undertakings	-	-	111	106
Other Debtors	74	-	74	-
Prepayments and Accrued Income	5,131	8,403	5,131	8,403
Taxation and Social Security	14	46	14	46
	<hr/>	<hr/>	<hr/>	<hr/>
	5,269	8,490	5,379	8,596
	<hr/>	<hr/>	<hr/>	<hr/>

The Prepayments and Accrued Income in 2022 include a deposit of £3.8m for the 2 replacement helicopters and in 2023 a further deposit of £0.9m in relation to the 3rd helicopter.

15. Creditors: Amounts Falling Due Within One Year

	Consolidated		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade Creditors	185	285	185	285
Other Creditors	3	20	3	20
Taxation and Social Security Costs	44	39	44	39
Accruals and Deferred Income	249	304	238	291
	<hr/>	<hr/>	<hr/>	<hr/>
	481	648	470	635
	<hr/>	<hr/>	<hr/>	<hr/>

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

	Group £'000	Company £'000
At 1 April 2022	79	70
Released from Previous Years	(79)	(70)
Deferred in the Year	74	65
	<hr/>	<hr/>
At 31 March 2023	74	65
	<hr/>	<hr/>

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	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Operating Leases Payments Due:				
Less than One Year	49	45	46	47
Within 2 to 5 Years	210	207	64	35
Greater than 5 years	22	74	15	-
	<u>281</u>	<u>326</u>	<u>125</u>	<u>82</u>

17. Movement in Funds

Consolidated

	Balances at 1 st April 2022	Income	Expenditure	Gains and Losses on Investments/ Taxation	Transfers Between Funds	Balance at 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds	23,256	8,690	(6,007)	(1,224)	5,627	30,342
<i>Designated funds:</i>						
Helicopter Replacement Reserve	15,000	-	-	-	(7,200)	7,800
Helicopter Maintenance Fund	482	-	(72)	-	590	1,000
Property Development Funds	3,945	-	-	-	1,055	5,000
Designated Funds	<u>19,427</u>	<u>-</u>	<u>(72)</u>	<u>-</u>	<u>(5,555)</u>	<u>13,800</u>
Restricted Funds	<u>92</u>	<u>69</u>	<u>-</u>	<u>-</u>	<u>(72)</u>	<u>89</u>
Total Funds	<u>42,775</u>	<u>8,759</u>	<u>(6,079)</u>	<u>(1,224)</u>	<u>-</u>	<u>44,231</u>

Notes (continued)

17. Movement in funds (continued)

Company

	<i>Balances at 1st April 2022 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Gains and Losses on Investments/ Taxation £'000</i>	<i>Transfers Between Funds £'000</i>	<i>Balance at 31 March 2023 £'000</i>
Unrestricted Funds	23,281	8,690	(6,007)	(1,224)	5,627	30,367
Designated Funds	19,427	-	(72)	-	(5,555)	13,800
Restricted Funds	92	69	-	-	(72)	89
Total Funds	42,800	8,759	(6,079)	1,224	-	44,256

Comparative information in respect of the preceding year is as follows:

Consolidated

	<i>Balances at 1st April 2021 £'000s</i>	<i>Income £'000s</i>	<i>Expenditure £'000s</i>	<i>Gains and Losses on Investments/ Taxation £'000s</i>	<i>Transfers Between Funds £'000s</i>	<i>Balance at 31 March 2022 £'000s</i>
Unrestricted funds	20,055	8,601	(5,829)	399	31	23,256
<i>Designated funds:</i>						
Helicopter Replacement Reserve	15,000	-	-	-	-	15,000
Helicopter Maintenance Fund	548	-	(66)	-	-	482
Property Development Funds	3,945	-	-	-	-	3,945
Designated Funds	19,493	-	(66)	-	-	19,427
Restricted Funds	83	39	-	-	(31)	92
Total Funds	39,630	8,641	(5,895)	399	-	42,775

Notes (continued)

17. Movement in funds (continued)

Company

	<i>Balances at 1st April 2021 £'000s</i>	<i>Income £'000s</i>	<i>Expenditure £'000s</i>	<i>Gains and Losses on Investments/ Taxation £'000s</i>	<i>Transfers Between Funds £'000s</i>	<i>Balance at 31 March 2022 £'000s</i>
Unrestricted Funds	20,080	8,601	(5,829)	399	31	23,281
Designated Funds	19,493	-	(66)	-	-	19,427
Restricted Funds	83	40	-	-	(31)	92
Total Funds	39,655	8,641	(5,895)	399	-	42,800

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 has been utilised with the purchase of two new H145 D3 helicopter. A reserve for the 3rd helicopter remain alongside a small reserve which will build up over the next 10 years in preparation for the future.

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)

31st March 2023	Tangible Fixed Assets £'000	Investments £'000	Other Net Assets £'000	Total £'000
Unrestricted Funds	21,911	2,009	6,422	30,342
Designated Funds	-	12,800	1,000	13,800
Restricted Funds	-	-	89	89
	21,911	14,809	7,511	44,231

Notes (continued)

18. Analysis of consolidated net assets (continued)

Comparative information in respect of the preceding year is as follows:

31 st March 2022	Tangible Fixed Assets £	Investments £	Other Net Assets £	Total £
Unrestricted Funds	10,534	348	12,374	23,256
Designated Funds	-	18,945	482	19,427
Restricted Funds	-	-	92	92
	<hr/>	<hr/>	<hr/>	<hr/>
	10,534	19,293	12,948	42,775
	<hr/>	<hr/>	<hr/>	<hr/>

19. Capital Commitments

At the balance sheet date, the Charity had €3.5m capital commitments in relation to the purchase of helicopter G-YORX delivered in June 2023 (2022 - nil).

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 2023 £'000	Total 2022 £'000
Investments	14,809	19,293
	<hr/>	<hr/>

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

	2023 £'000	2022 £'000
Group		
Net Movement in Funds for the Reporting Period	1,456	3,145
Adjustments for:		
Depreciation	904	1,278
Dividends, Interest and Rents from Investments	(439)	(356)
(Gain) / Loss on Investments	1,224	(389)
Decrease / (Increase) in Stocks	(4)	(7)
(Increase)/Decrease in Debtors	3,221	(4,418)
Increase/(Decrease) in Creditors	(167)	69
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Net Cash Provided by Operating Activities	6,195	(678)
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