

Registered company number: 04845905
Registered charity number: 1098874

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

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CHAIRMAN'S STATEMENT

In 2023 we celebrated the combined efforts and contributions of all who are or have been involved in the The Air Ambulance Service since we were founded in 2003. We celebrated 10 years of the national Children's Air Ambulance (TCAA), 15 years of the Derbyshire, Leicestershire & Rutland Air Ambulance (DLRAA) and 20 years of the Warwickshire & Northamptonshire Air Ambulance (WNAA),

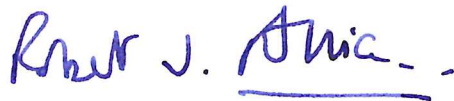
Our rich history has only been made possible through the thousands and thousands of people who have supported the charity in many different ways. I would like to thank everyone who has contributed over the last two decades. It is your commitment that has enabled our front-line crews and transfer teams to respond when and where needed, in helping to save lives.

I have witnessed many significant milestones during my short time with The Air Ambulance Service but 2023 was an exceptional year. Our clinical crews have now reached 50,000 missions across our five counties since they began operation. In 2023 alone we responded to 3,803 requests for help. In addition to this, our pioneering Children's Air Ambulance service delivered more missions than ever before with 200 clinical transfers of severely ill babies and children.

In October I was delighted to welcome Peta Wilkinson, our new Chief Executive Officer, who is already having a major and positive impact on our work. Peta and her team have designed a new strategy which the Trustee Board recently approved. Peta has an exciting and clear vision for the Charity – something that we have needed for a while. Her drive and the combined efforts of Peta and other staff will be transformative.

My admiration for what we achieve continues to grow. I am in no doubt this is because of the enthusiasm and commitment of so many people in so many different ways. Everyone should be proud of their contribution and what it has helped to achieve, not just in 2023 but over the last 20 years.

We now look forward to the next exciting chapter in our development. There are exciting things to come as we focus on delivering the very best service to those that need our help the most. Thank you for your on-going contribution, which will be tremendously important to our future success.



Professor Bob Allison CBE DL
Chair of Trustees

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CHIEF EXECUTIVE'S REPORT

While 2023 was the year to recognise and reflect on the charity's wonderful history through the milestone anniversaries of our lifesaving services, it also became a year of significant change and it was with great pleasure that I joined The Air Ambulance Service (TAAS) as Chief Executive.

As we celebrated 10 years of the national Children's Air Ambulance (TCAA), 15 years of the Derbyshire, Leicestershire & Rutland Air Ambulance (DLRAA) and 20 years of local Warwickshire & Northamptonshire Air Ambulance (WNAA), we also created a vision of the future for the organisation through the delivery of new comprehensive, three-year strategy.

Our new strategy focuses on the key strategic aims of Our Services, Our People, Our Ways of Working, Our Income and Our Identity. And at its very heart is the continued priority to ensure we deliver our services to our patients when and wherever they are needed. It is a strategy that puts people first, delivers a united and inclusive culture and ensures the financial sustainability of the organisation. I look forward to working with our Board of Trustees, colleagues and volunteers in ensuring our vision becomes reality.

Since my appointment in October, the warm welcome I have received from staff, volunteers and supporters of the charity has been extraordinary. I am fortunate to witness the commitment, passion and dedication of colleagues and volunteers on a daily basis and this gives me great confidence as the charity begins a new era, with a new destination, guided by a new strategy.

While we embark on a journey of transformation, our core purpose remains and this is to provide pre-hospital emergency care to our patients and support the NHS by air and road across five counties while continuing to pioneer across paediatric and neonatal transfers through the national Children's Air Ambulance.

Our WNAA and DLRAA clinical operations received significant recognition when the independent Care Quality Commission (CQC) carried out comprehensive inspections of the lifesaving services provided. It gives the charity great pride to report that both clinical services were rated "outstanding" – the highest overall rating awarded by the regulator. Further recognition was also celebrated when our very own Dr Jake Turner was announced as Doctor of the Year at the Air Ambulances UK Awards of Excellence.

The Children's Air Ambulance responded to more urgent transfer requests than ever before in 2023. Working alongside 11 NHS Clinical Partner Teams, the lifesaving service took to the skies 200 times. The service also marked significant milestones as it undertook its first Extra Corporeal Membrane Oxygenation (ECMO) transfer while three new, bespoke incubator systems, for use on the aircraft, enhanced capabilities and helped 78 neonatal patients and their families in 2023.

Our charity receives no government funding and therefore our services are funded entirely by voluntary donations and by the trading and fundraising activities we undertake. I'd like to take this opportunity to thank everyone involved in enabling us to deliver our vital, lifesaving services - from the frontline crews to all staff, volunteers, and supporters. We now look forward to the future driven by a new strategy, enhanced leadership structure and the continued efforts of everyone involved in the charity as we make our vision a reality, to ensure children grow into adults, for adults to live longer and for families to stay together, as bereavement through trauma becomes rare.

Peta Wilkinson
Chief Executive

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary ("the Group") for the year ending 31 December 2023 which are also prepared to meet the requirements of 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).

LEGAL AND ADMINISTRATION INFORMATION

Charity Name	The Air Ambulance Service
Charity Registration Number	1098874
Company Registration Number	04845905
Registered Office	Blue Skies House Butlers Leap Rugby Warwickshire CV21 3RQ
Independent Auditors	Crowe U.K. LLP 4 th Floor, St James House St James Square Cheltenham GL50 3PR
Bankers	Barclays Bank PLC Leicester LE87 2BB
Investment Managers	Cazenove Capital 1 London Wall Place London EC27 5AU CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Activities

The principal activities of The Air Ambulance Service ("TAAS") are the relief of sickness and injury and the protection of human life, principally (but not exclusively), by the provision of an air ambulance service.

Statement of public benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The Air Ambulance Services' charitable objects are stated within its memorandum and articles of association and as such the trustees ensure that the charity's activities are carried out for the public benefit through its strategic priorities. This is done primarily through the delivery of services by the provision of an emergency and children's air ambulance service. This report allows us to show how our charitable funds are spent and the impact and benefits that has on those requiring our services, as well as the wider impact on the communities we operate in.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Our fundraising standards

As a charity reliant on voluntary income we take an active and responsible approach to our fundraising. We are registered with the Fundraising Regulator and are firmly committed to ensuring we are compliant with their Code of Practice. Our fundraising activity is carefully planned and all supporter data on our fundraising database is governed by strict consent, unsubscribe and complaints processes. Oversight of these processes is carried out by an internal Data Protection Officer, ensuring we are kept up to date with new legislation as well as supporter feedback. The Charity is committed to providing an excellent service to supporters and retail customers but we recognise that occasionally things don't always go according to plan. With this in mind, we encourage complaints and suggestions to help shape the ongoing development of our services and the way in which we work with our supporters.

We received 23 complaints relating to our fundraising activities with 6 of these categorised as a high priority. All of these 23 were investigated and we responded directly to the complaint. The Executive Leadership take complaints very seriously and they are regularly reviewed to ensure a thorough investigation and feedback to our team has taken place.

Company Status

The charity is a company limited by guarantee (registration number - 04845905), and as such has no share capital. The company is governed by its Memorandum and Articles of Association which were last updated in November 2019. The liability of the members of the company, as set out in the Memorandum of Association, is limited to £1 per member.

Board of Trustees

The Trustees of the charitable company, who are directors for the purpose of company law, who served during the year and up to the date of this report are set out as follows:

Professor R J Allison CBE DL
Mr P Wells
Mr J C R Tennent
Mr P Whatmore
Mr F Jaffri (resigned 6 December 23)
Ms D Atkins (resigned 8 June 23)
Ms S Baumann
Ms C Sheppard
Mr T Boxell
Mr A Hoyle
Mr A Fradgley (appointed 11 December 23)
Ms R Grant (appointed 11 December 23)
Mrs J Walmsley (appointed 11 December 23)

Directors are selected against pre-determined skills criteria designed to ensure that the Board has the necessary knowledge with which to direct The Air Ambulance Service.

Key Management Personnel:

Senior Management Team of The Air Ambulance Service and its Subsidiary who served during the year and at the year end.

Mrs P Wilkinson	CEO (appointed 18 October 23)
Mr R Clayton	Director of Operations
Ms D Young	Director of Income Generation
Ms E Peake	Acting CEO (resigned 28 July 23)
Mr K Tailor	Director of Finance (resigned 29 September 23)

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TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Trustee and Director induction and training

Trustees are inducted to the organisation on appointment and are briefed as appropriate. As part of ongoing training, trustees have received formal charity law updates, strategic sessions and presentations in relation to operational requirements during the year.

When recruiting new Trustees, it is based upon the skills matrix and where gaps have been identified, the full board have delegated the governance and appointment to Nominations and Appointments Committee. It is advertised externally and there is an interview process to go through.

Organisational Structure

The Air Ambulance Service Board of Trustees meets at least 4 times per year to oversee the development of the charity and the work of the Senior Management Team. The Air Ambulance Service Trading Company Board also meets at least 4 times a year, to oversee the work and development of the trading subsidiary.

Several sub-committees support the governance of the charity, including a Finance sub-Committee which considers matters of finance, for both the Charity and the Trading company, and an Audit and Risk sub-committee which considers matters of governance, audit and risk management. These committees meet four weeks prior to the Boards so that the committee can report the discussions and actions arising from their meeting. There are also additional committees in place which consider matters of, operations, marketing and people, which provide additional reporting processes.

During the year a Project Oversight Committee was established to review governance and progress of major projects.

The Trustees are responsible for the control over all activities and authorise all major transactions of the charitable company and its subsidiaries. Day-to-day activities are overseen by the Chief Executive and the Senior Management Team on a delegated basis.

Pay policy for Senior Staff

Remuneration Committee considers pay and other benefits for senior staff and makes recommendations to the Board of Trustees for approval. The senior management team comprise the key management personnel of the Charity in charge of directing, running and operating the Charity on a day-to-day-basis.

Risk Management

A robust risk management and governance process is in place in respect of clinical operations, to meet the regulatory requirements of the Care Quality Commission fundamental standards and key line of enquiry. In addition, a wider organisation focussed Risk Management process is in place and is monitored regularly by the Executive Leadership Team, Senior Management Team and Board. In line with best practice and the requirements of the Charities SORP (FRS 102), the Trustees have reviewed all major potential risks for the charity and taken appropriate measures to mitigate their impact.

OBJECTIVES AND ACTIVITIES

The objects of the charitable company have not changed and are as stated earlier under the Principal Activities.

The activities of the Charitable company continue to be:

- The delivery of Helicopter Emergency Medical Services (HEMS), a trauma service responding to road accidents, falls of many kinds, medical emergencies, injuries received in remote locations and many other scenarios. These services are based in Warwickshire, Northamptonshire, Derbyshire, Leicestershire and Rutland.
- The Delivery of the Children's Air Ambulance, a hospital-to-hospital paediatric transfer service. This is a national service and involves liaison with critical care hospitals and paediatric retrieval teams across England.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Our work makes a difference to people, to communities and to society as a whole. Our responsibility is far reaching. The obvious impact is on saving lives, improving clinical outcomes and being able to react quickly and efficiently to emergencies but our influence is also able to challenge, and when necessary, try to change Government policies on health; we are able to innovate in clinical care, challenge the boundaries that often exist in state run services and invest heavily in the development of the people who deliver that care.

Our primary purpose is healthcare and we will lead the way in our chosen fields of operation in trauma and medical emergencies via our HEMS services and in the innovation and development of the unique critical transfer and retrieval service that is The Children's Air Ambulance. However, our reach goes much further in our impact on society. We are a significant employer and contributor to our local economies; we are a socially responsible organisation that values the very communities that support us. Our expertise is made available to smaller charities, to education establishments and to organisations with similar goals. We care about our environment and we must use our abilities to change, shape or challenge the voluntary sector as a whole for genuine public benefit.

We are an organisation that engenders pride and purpose in every individual associated with us.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Helicopter Emergency Medical Services (HEMS) and Clinical Operational Report

Operating two specialist AW109 helicopters and two Rapid Response Vehicles (RRV) daily, The Air Ambulance Service (TAAS) remains one of the busiest air ambulance service providers in the country, providing critical care, lifesaving services to the NHS 24 hours a day, 365 days a year.

The Air Ambulance Service (TAAS) attended 1,853 critical care missions by helicopter, and a further 1,946 critical care missions by RRV – 3,799 critical care missions in total for 2023. TAAS has responded to 52,274 lifesaving missions since services commenced in 2003, a truly remarkable achievement.

The dedicated spare helicopter, which was introduced as part of the new helicopter fleet in March 2021, has been an asset during 2023 for periods of scheduled maintenance (routine servicing) and unscheduled maintenance (repairs) of the primary helicopters. This additional resilience has ensured that our life saving services by air were maintained throughout the year.

Extended flying hours, May to August inc., were once again undertaken in 2023 following the successful trial in 2021. During extended flying hours both aircraft were utilised not only in our primary regions but also providing mutual assistance in other areas.

New Rapid Response Vehicles (RRV) were converted and operational during March 2023. A new vehicle conversion specialist (audible and visual warning devices and sirens) was selected following a competitive tendering process.

Both of The Air Ambulance Service's Helicopter Medical Services (Derbyshire, Leicestershire & Rutland Air Ambulance (DLRAA) and Warwickshire & Northamptonshire Air Ambulance (WNAA) were inspected by the Care Quality Commission (CQC) in 2023. Both were unannounced, comprehensive inspections of our lifesaving service against the CQC 'key line of enquiry'. We are delighted to report the both services received an overall 'Outstanding' rating – the highest overall rating the regulator awards.

As a pre-hospital provider committed to delivering excellence in patient care we continue to provide specialist pre-hospital doctors on all four of our operational platforms (helicopters and RRVs). TAAS achieved doctor cover at an impressive 98% of occasions in 2023. To further increase resilience, a doctor recruitment and selection event took place in 2023 to recruit 12-month fixed term fellowship positions. We are delighted to report that two positions have been offered and accepted for 2023/24 term which will further enhance doctor cover.

In addition to recruiting new doctors, TAAS continues to support the West Midlands Deanery with their PHEM (Pre-Hospital Emergency Medicine) Training Programme, essentially helping to train and educate the next generation of PHEM doctors.

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**TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Air Ambulance Service (TAAS) is extremely proud to announce winning the 'Doctor of the Year' category at the Air Ambulances UK Awards of Excellence 2023. A truly incredible achievement given the calibre of nominations.

Continuous improvement is essential in prehospital care, and a number of major advancements have been made during 2023 to how we train, educate and equip our critical care teams to support the NHS to care for the most sickest and injured patients.

2023 saw several business case proposals submitted and approved by the Clinical Governance Group. Proposals approved during 2023 included a review of our ventilators (to support a patient's breathing), cardiac monitors (to monitor a patient's heart rhythm, monitor blood gases, measure blood pressures and deliver an electric shock to restart a patient heart), and mechanical automated cardiopulmonary chest compression devices. We are pleased to report that following a thorough clinical evaluation/trial new ventilators and cardiac monitors have now been purchased, with new mechanical chest compression devices to follow in 2024.

In addition to the advanced surgical equipment introduced in 2022, new state-of-the-art surgical and advanced airway mannequins have been purchased following a very generous legacy donation. These mannequins will not only help simulate complex education scenarios for TAAS clinicians but will also be used to support external agencies such as the NHS. These two areas alone changed how we deliver certain medication to patients as well as performing invasive surgical procedures for our sickest, most severely injured patients.

TAAS has been carrying blood on board its operational platforms since 2022. From 2022 we started to carry four units to administer blood to our most critically ill and injured patients. From implementation TAAS has already delivered this additional lifesaving treatment on 146 occasions. TAAS would like to take this opportunity to acknowledge the support of both the Warwickshire & Solihull and Leicestershire & Rutland Blood Biker charities in delivering blood and blood products daily to our operational bases.

TAAS clinicians undertook ultrasound (a device to capture live images) courses with East Anglian Air Ambulance in 2022. This initial course provides the foundation to use ultrasound in the pre-hospital setting. These foundations will then be built on by a bespoke course which is to be developed within TAAS and shared across the clinical team. The aim is to have each CCP signed off to be competent in this skill as we move into 2024.

Honorary contracts are now in place with neighbouring Major Trauma Centres allowing our clinicians to undergo shifts in different departments and thus continue their professional development. This exposure will assist the clinicians with assessments and treatment in the pre-hospital setting. Having knowledge of pathways within hospitals and exemplary care before reaching hospital can only serve patients with better outcomes.

Aftercare support is an essential extension of the care TAAS provides; essentially our care to our patients, their families and loved ones extends beyond the doors of the Emergency Department. TAAS introduced a Clinical Liaison Officer (CLO) in 2020 with great success. The CLO provides the conduit between TAAS former patients and their families and has been invaluable in providing information and support to help patients piece together the patient journey to help aid their emotional recovery alongside the physical.

One of the biggest pieces of work throughout 2023, which will continue into 2024, surrounds the TAAS estates strategy. Part of this work involves locating (based on historical data) potential sites for new HEMS operational bases. TAAS has secured the assistance of a third party who has vast experience in this field and has assisted several air ambulances across the country.

Quality outcomes/audit reports continued to be reviewed monthly by the Operations Management Team and quarterly by the Clinical Governance Group. Audit assurances for anaesthesia, sedation, surgical skills and Infection, Prevention & Control for both operational bases continue to provide excellent assurance.

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**TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Children's Air Ambulance Operational Report

Following the termination of the helicopter contract by Specialist Aviation Services (SAS) in September 2021 TAAS worked with Sloane Helicopters Limited to introduce two new AgustaWestland 169 (AW169) helicopters. The termination was in response to TCAA being asked to pay additional costs, for two aircraft, which would have doubled the monthly expenditure for the remaining four years of the contract. This would have amounted to more than £15 million additional expenditure.

In 2023 TCAA completed 200 critical missions across the country supporting 11 NHS paediatric and neonatal specialist transport teams in their lifesaving work. TCAA has completed 906 missions since services commenced. We onboarded our 11th NHS team during 2023 – KIDS (Kids Intensive Care and Decision Support team) based in Birmingham. The onboarding process is a TCAA Governance key requirement.

Just over half the missions completed during 2023 carried the patient's parent/guardian on the mission. The inclusion of a 'parent seat' was a design essential for the new helicopters.

In total TCAA saved a total of over 296.34hrs for our smallest most vulnerable patients compared to road transfer, and a total of over 694hrs of NHS clinician time compared to road transfer.

Of the 200 missions completed, 78 of those missions utilised our new incubator transport system. TCAA designed and delivered 3 incubator transport systems free-of-charge to the NHS in 2023 gaining a significant amount of media attention. TCAA is the first and only helicopter provider in England to support the NHS with a helicopter certified incubator transport system. Babies weighing less than 6kg was the largest patient category seen in 2023.

In January 2023 TCAA achieved another significant milestone by undertaking its first ECMO (Extracorporeal Membrane Oxygenation therapy) transfer to help a critically ill young child get to specialist care they urgently needed. ECMO is a relatively rare therapy, which is similar to a heart and lung bypass machine, that delivers a temporary means of providing oxygen to the body when a child's heart and/or lungs are not working effectively, and normal methods of intensive care are failing. TCAA worked closely with the 'Heart Link ECMO Centre' in Leicester to design, build and deliver ECMO capability on board its helicopters, the only operator/charity to do so in the UK. 4 patients were transferred on ECMO during 2023.

FINANCIAL REVIEW

Financial Position

We receive no government support. We rely solely on donations, legacies, sponsorship, grants, fundraising events and our retail operations. We believe this enables us to ensure that we put the needs of the patient at the top of our entire decision making.

We are in a strong and better than anticipated position, following decisions we had to make in earlier years, which allows us to move forward feeling confident in increasing our investment in our strategy to support more people through our services.

We are confident that The Air Ambulance Service remains a financially stable organisation and that we are well positioned to operate as effectively as possible.

We benefitted from an incredible response from our supporters, enabling us to perform better than anticipated, generating a total £38 million income for the year, being £3.5 million more than the previous year.

The sustainability of our income allows us to cope with increasing costs, secure the stability of the charity by moving towards our reserves policy and as always, to ensure the maximisation of funds raised in the operation and running of the Helicopter Emergency Medical Services and The Children's Air Ambulance.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves policy

We have improved our reserves position in 2023 and as at 31 December 2023 the Charity held unrestricted reserves of £36 million. £0.9 million is held as fixed assets required to provide the Charities services. The Trustees have determined that the Charity should hold between 9 and 18 months operating costs to secure the stability of the Charity. At the end of the year 12 months operational costs were held which are approximately £16 million. The remaining £19m will be used to invest in new equipment, infrastructure, digital investments, and provision for airbase as it becomes available.

Investment policy

The charities investment policy requires that investments are approved and monitored by the Finance and Investment Committee. Investments are matched to the Charities risk profile and future plans. Investments are chosen with consideration to the social and environmental impact. As a result we invest in specific charity funds that meet these objectives. Funds are invested in two funds (1) CCLA Charities Investment Fund and (2) Cazenove Charity Sustainable fund with both funds having a target benchmark. The return in 2023 was 12.4% for funds managed by CCLA and 7% for funds managed by Cazenove.

Going concern

The financial statements have been prepared on a going concern basis as the trustees consider that adequate reserves continue to be available to fund the activities of the charity and group for the foreseeable future and believe no material uncertainties exist. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Streamlined Energy and Carbon Reporting (SECR)

The Charitable group is reporting energy and carbon emissions in compliance with Companies (Trustees Report) and Energy and Carbon Report Regulations 2019.

UK Greenhouse and gas emissions and energy use data for the period	2023	2022
Energy consumption used to calculate emissions (kWh)	1,667,258	1,429,372
Emissions in metric tonnes CO2e		
Gas consumption	51.19	34.98
Owned transport	36.93	33.06
Purchased electricity	21.93	18.47
Business travel in employee owned vehicles	53.75	61.07
Total emissions in metric tonnes CO2e	<u>163.80</u>	<u>147.58</u>
Intensity ratio	<u>0.37</u>	<u>0.35</u>

The chosen intensity measurement ratio is total gross emissions in CO2e per no. of employees.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
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Financial Instruments

The charity does not use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk and manages this through credit control procedures. The trustees do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or performance.

The Companies (Miscellaneous Reporting) Regulations 2018 requires large companies to include detail in their annual report describing how the Trustees have had regard to matters set out in section 172 (1) of the Companies Act 2006. The Trustees statement is set out below.

Section 172 (1) statement Companies Act 2006

The trustees have acted in the way which they consider, in good faith, promotes the success of the charitable group for the benefit of its members and stakeholders as a whole, and in doing so have given regard to (amongst other matters):

Business relationships

With a highly committed and dedicated workforce, the charitable group takes great pride in listening to what our beneficiaries and stakeholders want and continues to provide the level of service they have come to expect, leading to continued increases in the awareness of the charitable group's activities and operations.

Our relationship with the community

As a charity, public benefit is at the heart of all we do. The Chief Executive's report together with the Objectives & Activities and Achievements & Performance section of the Trustees' Annual Report gives full details of the impact of our operations.

Maintaining a reputation for high standards

As a fundraising charity, we are compliant with the Code of Conduct issued by the Fundraising Regulator and take our responsibilities for exemplary clinical care very seriously. Further detail can be found in the Clinical and Operational Report included within the Trustees' Report.

Our people

At the end of 2023, we employed 445 members of staff and it is only through the combined effort of our whole workforce – our employees, supporters and volunteers that we can change the lives of so many. The charity encourages the involvement of employees by means of regular employee meetings and engagement in decision making processes that impact on them directly. Further details regarding key management personnel can be found in the Structure, Governance & Management section of the Trustees' Annual Report.

Volunteers provide essential support to the Charity. The roles volunteers play include working in our trading subsidiary shops, running community events, raising funds, and performing administrative roles.

Employee involvement and employment of the disabled

Staff communication meetings are held on a quarterly basis for presentations and discussion of key areas including business updates and projects.

The Air Ambulance Service has a number of policies and procedures in relation to all personnel matters, including:

- Equal opportunities; and
- Health & Safety

The recruitment and training of staff is undertaken in accordance with the charity's equal opportunities policy and in line with the Equality Act 2010.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
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Funds held as Custodian Trustees

The Charity has access to and control over the funds held for The Children's Air Ambulance Service lottery. These funds are held in a separate bank account from the funds of the charity. The Charity is registered with the Gambling Commission to run this lottery with day-to-day operations being under the control of a third party. Funds are released to the Charity in accordance with accounts submitted by the third party.

Principal Risks and Uncertainties

The Board and Senior Management Team have established a risk register which identifies the current perceived risks and which is reviewed at all monthly Senior Management Team and quarterly Trustee meetings.

We have a formal process in place whereby all types of risks faced by the Charity have been considered as to their probability and impact, measures and strategies have been documented and implemented to deal with the identified risks on both an individual and overall basis. All activity is reviewed in the context of these risks and our principal risks are noted.

Principal risks	What the risks mean to The Air Ambulance Service	How we manage the risks
Maintaining financial stability	The risk is that we don't have sufficient income to operate.	We have regular cash flow forecasts and a robust budgeting process. We also have different income streams to avoid dependence on any one income stream.
Governance and strategy	The risk is that we don't have the right governance structures in place to drive our strategy.	We regularly review our performance and governance structures. There are processes in place to lead strategic change.
People capability and capacity	The risk is that talented staff are not attracted, developed and retained in a competitive labour market.	Recruitment, appraisal and training processes are regularly reviewed. We benchmark our pay and benefits across the sector.
External influence and perception	There is a risk of loss of public trust and confidence and people do not understand our purpose because our messaging is not clear.	We are transparent in the delivery of our services and have a strategy to develop our brand.

PLANS FOR THE FUTURE

The Trustees agreed the 3 year strategic plan between 2024-2026 This document included a review of our Vision, Mission, Core Values and Core Principles.

Our Vision is that we want children to grow into adults and adults to live longer, making bereavement through trauma rare.

Our Mission Statement "Our rapid response services work tirelessly to save lives and alleviate pain and suffering, wherever and whenever needed" is reflected in our core values which are Compassion, Courage and Creativity.

As an organisation we are clear on three things, our ultimate aim (The Vision), the impact we make on Society (The Mission) and the way we go about achieving this important work (The Values). Every individual in every part of the organisation holds these three things dear to them, for we are not here to do a job: we are here for a purpose driven by passion, commitment and humanity.

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TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Our current strategic aims, as noted below are:

- Continuously advance rapid response critical care services to patients
- Be recognised as a leading authority on pre-hospital emergency care and paediatric transfer services
- Raise awareness, understanding and engagement with our charity across the country
- Unite people in the common purpose of our charity and create advocates who will enhance reputation and reach of the charity
- Be the organisation of choice and opportunity for the most talented and driven from diverse backgrounds
- Drive best practice across all areas of the organisation in a sustainable, responsible and ethical manner, to ensure a positive impact on the communities and environments in which we operate
- Grow income to £30 million in a diverse and sustainable manner to continue and develop our services.

Each of these will be reviewed and a detailed plan prepared which involves the whole of the Charity and measures to check and report our progress towards these aims.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of The Air Ambulance Service 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 Accepting Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including income and expenditure, of the charitable group 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

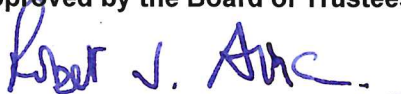
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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.

Provision of information to auditor

So far as each of the Trustees is aware at the time this report is approved:

- 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.

Approved by the Board of Trustees on 13 June 2024 and signed on its behalf by:



Robert J Allison
Chair of Trustees

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AIR AMBULANCE SERVICE
FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of The Air Ambulance Service ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the charitable company's affairs as at 31 December 2023 and of the group's 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.

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

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

We have nothing to report in this regard.

**THE AIR AMBULANCE SERVICE
(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AIR AMBULANCE SERVICE
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent 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 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AIR AMBULANCE SERVICE
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), anti-fraud, bribery and corruption legislation, health and safety legislation, taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income, grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and performing testing over legacies and grant income recognised in the period.

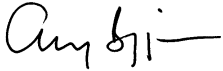
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**THE AIR AMBULANCE SERVICE
(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AIR AMBULANCE SERVICE
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Use of our report

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



Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Cheltenham
GL50 3PR

Date: 17 July 2024

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)

For the year ended 31 December 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000	2022 Total £'000
Income					
<i>Incoming resources from generated funds</i>					
Donations and legacies	2	7,917	5,231	13,148	10,091
Other trading activities	2	24,265	-	24,265	23,057
Investment income	4	766	-	766	435
Total income		32,948	5,231	38,179	33,583
Expenditure					
<i>Costs of raising funds</i>					
Costs of generating voluntary income		5,528	-	5,528	5,152
Commercial trading operations and other costs		16,189	-	16,189	14,182
<i>Charitable activities</i>					
Operation of Air Ambulances		7,946	4,755	12,701	8,009
Total expenditure	5	29,663	4,755	34,418	27,343
Net income before gains on investments		3,285	476	3,761	6,240
Net gain/(loss) on fixed asset investments		677	-	677	(1,438)
Transfer between funds		420	(420)	-	-
Net income before taxation		4,382	56	4,438	4,802
Taxation		(49)	-	(49)	-
Net movement in funds		4,333	56	4,389	4,802
Reconciliation of funds					
Total Funds brought forward at 1 January 2023		33,309	687	33,996	29,194
Total Funds carried forward at 31 December 2023		37,642	743	38,385	33,996

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenses are derived from continuing activities.

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

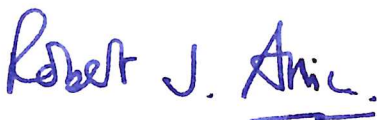
CONSOLIDATED BALANCE SHEET
Company number: 04845905

As at 31 December 2023

	Note	2023	Restated 2022
		£'000	£'000
Fixed assets			
Tangible assets	10	1,797	1,952
Investments	11	<u>12,842</u>	<u>12,165</u>
		14,639	14,117
Current assets			
Debtors	12	4,134	4,203
Stocks		519	477
Cash at bank and in hand		21,526	18,030
		<u>26,179</u>	<u>22,710</u>
Creditors: amounts falling due within one year	13	<u>(1,774)</u>	<u>(2,291)</u>
Net current assets		24,405	20,419
Total assets less current liabilities		<u>39,044</u>	<u>34,536</u>
Provisions for liabilities	14	(659)	(540)
Net assets		<u><u>38,385</u></u>	<u><u>33,996</u></u>
Funds			
Unrestricted funds			
General funds	16	36,800	33,144
Investment revaluation reserve	16	842	165
Restricted funds	15	743	687
		<u><u>38,385</u></u>	<u><u>33,996</u></u>

The notes on pages 21 to 37 form part of these financial statements.

These financial statements were approved by the Board of trustees and were signed on their behalf on 13 June 2024.



Robert J Allison
Chair of Trustees

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

CHARITABLE COMPANY BALANCE SHEET
Company number: 04845905

As at 31 December 2023

	Note	2023 £'000	2022 £'000
Fixed assets			
Tangible assets	10	920	993
Investments	11	<u>12,842</u>	<u>12,166</u>
		13,762	13,159
Current assets			
Stocks		-	-
Debtors	12	4,330	4,236
Cash at bank and in hand		19,937	15,768
		<u>24,267</u>	<u>20,004</u>
Creditors: amounts falling due within one year	13	<u>(958)</u>	<u>(1,523)</u>
Net current assets		23,309	18,481
Net assets		<u>37,071</u>	<u>31,640</u>
Funds			
Unrestricted funds			
General funds	16	35,486	30,788
Investment revaluation reserve	16	842	165
Restricted funds	15	<u>743</u>	<u>687</u>
		<u>37,071</u>	<u>31,640</u>

The company's net movement in funds for the year was a surplus of £5.43m (2022: surplus of £3.93m).

The notes on pages 21 to 37 form part of these financial statements.

These financial statements were approved by the Board of trustees and were signed on their behalf on 13 June 2024.



Robert J Allison
Chair of Trustees

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOW YEAR ENDED 31 DECEMBER 2023

	2023 £'000	2022 £'000
Reconciliation of net incoming resources to net cash flow from operating activities		
Net income	4,389	4,802
Depreciation	713	582
Loss on disposal of tangible fixed assets	77	-
Net (gain)/loss on fixed asset investments	(677)	1,438
Increase/(decrease) in stock	(40)	26
Decrease/(increase) in debtors	69	(251)
(Decrease)/Increase in creditors	(400)	480
Investment income received	(766)	(435)
Net cash inflow from operating activities	<u>3,365</u>	<u>6,642</u>

Cash Flow Statement

Net cash inflow from operating activities	3,365	6,642
Cash flows from investing activities	766	435
Purchase of intangible fixed assets	-	-
Purchase of tangible fixed assets	<u>(635)</u>	<u>(1,054)</u>

Increase in cash and cash equivalents in the year

<u>3,496</u>	<u>6,023</u>
--------------	--------------

Analysis of changes in net cash

	At 1 January 2023 £'000	Cash flow £'000	At 31 December 2023 £'000
Cash at bank and in hand	<u>18,030</u>	<u>3,496</u>	<u>21,526</u>

Reconciliation of Movement in Cash

	2023 £'000	2022 £'000
Net increase in cash and cash equivalents for the year	3,496	6,023
Cash and cash equivalents as at 1 January 2023	<u>18,030</u>	<u>12,007</u>
Cash and cash equivalents as at 31 December 2023	<u>21,526</u>	<u>18,030</u>

Cash flows from investing activities

	2023 £'000	2022 £'000
Investment income received	<u>766</u>	<u>435</u>

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Air Ambulance Service meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The consolidated accounts incorporate the accounts of the parent charitable company and all group undertakings. Consolidation has been undertaken on a line by line basis. A separate statement of financial activities for the parent charitable company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charitable group is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application are included in the accounting period in which the gift is sold.

In all cases, the amount at which gifts in kind are brought into the accounts is either a reasonable estimate of their value to the charitable group or the amount actually realised.

Donated services and facilities

Donated services and facilities are included at the value to the charitable group where this can be quantified. In accordance with the Charities SORP (FRS 102), the value of services provided by volunteers has not been included in these accounts.

Legacies

Legacies are credited to the Statement of financial activities when either the estate accounts or monies have been received. This uses the three recognition criteria of probability of receipt, ability to estimate with sufficient accuracy and entitlement in accordance with the charities SORP FRS102.

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1. Accounting policies – continued

Trading outlets

Retail sales are included in the period in which the sale is initiated.

Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the accounts as a restricted fund. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the trustees have chosen to earmark for set purposes are designated funds.

Resources expended

All expenditure is accounted for on an accruals basis. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. Expenditure is matched against the restricted or unrestricted funds to which it relates. Support costs directly attributable to an activity are allocated to that activity. Other costs that cannot be directly attributed are allocated against the categories based on management's estimate of usage of those services.

a) Costs of raising funds

The costs of generating funds are the costs associated with generating income through fundraising and other activities, including the costs of the commercial trading operations.

b) Charitable activities

The trustees consider that there is only one charitable activity, that of the provision of an air ambulance service.

c) Governance costs

These are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs include external audit and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts.

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1. Accounting policies – continued

Fixed assets

Capitalisation

All assets falling into the following categories are capitalised.

- i) Tangible assets which are capable of being used for more than one year and have a cost equal to or greater than £500, (£200 for The Air Ambulance Service Trading Limited)
- ii) Groups of tangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £500 or more, (£200 for The Air Ambulance Service Trading Limited)
- iii) Computer software licenses are capitalised as intangible assets where they are capable of being used for more than one year and have a cost, individually or as a group, equal to or greater than £500, (£200 for The Air Ambulance Service Trading Limited)

Tangible Fixed Assets and Depreciation

Fixed assets are recorded at cost or, in the case of assets where assets have been donated to the group, at valuation at the time of acquisition. Depreciation is provided on all tangible fixed assets excluding freehold land, at rates calculated to write off the cost, less estimated residual value, based on values prevailing at the date of acquisition, of each asset, on a straight line basis, over its expected useful life, as follows:

Buildings	7%
Fixtures and fittings	20%
Medical equipment	20%
Office equipment	20%
Motor vehicles	25%
Computer equipment	33%

The holding value of assets is regularly reviewed for impairment and where deemed appropriate assets are written down.

Fixed Asset investments

Investments are a form of basic financial instrument, are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market value. Gains and losses arising on disposals and revaluation throughout the year are included in the statement of financial activities All investment income is treated as unrestricted.

Stock

Stock consists of purchased goods for resale and items to be given to volunteers and people who participate in fundraising events. Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The value of goods donated for sale in the group's charity shops is not included in stock. Instead, they are accounted for as income in the period in which the goods are sold.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of any transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible into known amounts of cash with insignificant risk of change in value.

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1. Accounting policies – continued

Financial instruments

The charitable company enters into only basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Creditors and provisions

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

The charitable company 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 Statement of Financial Activities.

Operating leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the lease term. Lease incentives are charged on a straight-line basis over the term of the lease.

Gift aid payments receivable

The parent charity receives income from its trading subsidiary under the gift aid scheme, which are recognised as distributions to owners in equity within retained earnings of that company.

At the reporting date there was no legal obligation in place for the charity to receive this gift aid payment, although prior to the reporting date the trading subsidiary board had indicated its intention to pay the taxable profits to the parent charity in respect of the reporting date.

There is no tax charge in the year due to the exception under 29.14A of FRS 102. Relief is allowed as the gift aid payment will be made by the trading subsidiary to the parent company within 9 months of the year end.

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

1. Accounting policies – continued

Judgements in applying accounting policies and key sources of estimation uncertainty

The charitable company makes estimates and assumptions concerning the future. Management are also required to exercise judgement in the process of applying the charitable company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

In preparing these financial statements, the trustees have made the following judgements:

- Determine whether leases entered into by the charitable company either as a lessor or a lessee are operating leases or finance leases. The decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor or lessee on a lease-by-lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.
- Provisions. A provision is recognised when the charitable company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability. The group has estimated the anticipated costs of dilapidations across its retail operations based on the age of the lease and fit out costs.

Whether a present obligation is probable or not requires judgment. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

- Depreciation and residual values. The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

THE AIR AMBULANCE SERVICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

2. Donations and legacies	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£'000	£'000	£'000	£'000
Donations	5,008	108	5,116	5,439
Legacies	2,868	4,706	7,574	4,209
Grants receivable (see note 3)	41	417	458	443
	<hr/>	<hr/>	<hr/>	<hr/>
	7,917	5,231	13,148	10,091
	<hr/>	<hr/>	<hr/>	<hr/>
Other trading activities				
Charity shop income	15,143	-	15,143	13,743
Lottery income	8,522	-	8,522	8,719
Event income	600	-	600	595
Government grants receivable	-	-	-	-
Other	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	24,265	-	24,265	23,057
	<hr/>	<hr/>	<hr/>	<hr/>

Income from donations and legacies in 2022 was £10m of which £7m was attributable to unrestricted funds and £3m to restricted funds. Income from other trading activities in 2022 was £23.057m all of which was attributable to unrestricted funds.

3. Material grants received by category

Sources of material grants:	2023 £'000	2022 £'000
General Charities of the City of Coventry	90	90
The Margaret Giffen Charitable Trust	10	20
Rooney Family Foundation	-	26
Association of Air Ambulances	31	-
The Saintbury Trust	10	20
O'Brien Charitable Trust	10	10
The Leaf Charitable Trust	-	15
David Wilson Foundation	15	-
The L&D Seccombe Charitable Trust	11	-
The EBM Charitable Trust	10	10
The John Salmon Trust	10	-
Groundworks (Tesco Bags of Help)	15	10
County Air Ambulance	-	10
Anonymous	-	10
National Philanthropic Trust UK	10	-
The Haremead Trust	10	-
Other < £10,000	226	222
	<hr/>	<hr/>
Total	458	443
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

4. Investment income	2023 £'000	2022 £'000
Bank interest	318	15
Investment income	448	420
Other	-	-
	<u>766</u>	<u>435</u>

5. Resources expended by activity

		Costs of Fundraising					
		Basis of Generating Trading Charitable Governance					
		Allocation	Voluntary	costs	activities	costs	
		£'000	£'000	£'000	£'000	2023 £'000	2022 £'000
Costs directly allocated to activities							
Fundraising Costs	Direct	2,411	-	-	-	2,411	1,895
Operations	Direct	-	-	11,642	-	11,642	7,063
Marketing and PR	Direct	2,215	-	-	-	2,215	2,337
Trading costs	Direct	-	15,735	-	-	15,735	13,735
Depreciation	Direct	-	352	361	-	713	582
Support costs allocated to activities							
Support Services	Hours	<u>902</u>	<u>-</u>	<u>698</u>	<u>102</u>	<u>1,702</u>	<u>1,731</u>
		<u>5,528</u>	<u>16,087</u>	<u>12,701</u>	<u>102</u>	<u>34,418</u>	<u>27,343</u>

Operational and fundraising staff are allocated directly, management and administration are allocated on a time apportioned basis.

The expenditure in 2022 was £27.343m of which £24.506m was attributable to unrestricted funds and £2.837m to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

6. Staff costs

	2023 £'000	2022 £'000
Wages and salaries	10,238	8,656
Social security costs	874	747
Pension costs	335	260
Redundancy and termination payments	30	7
	<u>11,477</u>	<u>9,670</u>

The average number of employees during the year was as follows:

	2023 No.	2022 No.
Aviation Operations	34	31
Fundraising	32	29
Trading	326	320
Administration	53	41
	<u>445</u>	<u>421</u>

Pensions contributions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Annual contributions amounting to £334,571 (2022: £259,984) were charged to the Statement of Financial Activities during the year. At the balance sheet date, there were £66,175 outstanding contributions (2022: £48,588).

Key Management Personnel remuneration

There were five (2022: five) members of the senior management team and their aggregate remuneration in respect of qualifying services for the Group was:

	2023 £'000	2022 £'000
Remuneration receivable	385	485
Termination payments	0	34
Social security costs	43	66
Pension contributions	30	29
	<u>458</u>	<u>614</u>

The number of senior management personnel whose remuneration (excluding pension contributions) for the year fell within the following bands were:

	2023 No.	2022 No.
£160,000 to £169,999	-	1
£140,000 to £149,999	-	-
£110,000 to £119,999	1	-
£100,000 to £109,999	-	1
£90,000 to £99,999	-	-
£80,000 to £89,999	2	2
£70,000 to £79,999	4	2
£60,000 to £69,999	<u>5</u>	<u>3</u>

No other employees (outside of key management personnel) earned more than £60,000 in 2023. (2022: none).

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7. Trustees and connected persons' transactions

Trustees' expenses reimbursed

During the year expenses of £10,804 (2022: £2,661) were reimbursed to Trustees and related to travel costs.

Trustees' remuneration

No trustees received remuneration during the year (2022: Nil).

The Charity pays an insurance premium in respect of Trustees' and Individuals' liability cover at a cost of £926 (2022: £1,785).

8. Net incoming resources	2023	2022
	£'000	£'000
This is stated after charging:		
Auditors' remuneration - audit services	33	31
Depreciation – owned assets	713	582
Loss on disposal of tangible fixed assets	77	-
Operating Lease Costs	<u>8,321</u>	<u>5,389</u>

9. Taxation and Deferred taxation

The charitable company, as a registered charity, is exempt from tax on income and gains falling within section 478 of the Taxes Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen within the charitable company.

The tax expense for the period is deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that is probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits and
- Any deferred tax balances are reversed if and when all the conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

10. Tangible fixed assets

GROUP

	Leasehold Property £'000	Fixtures & fittings £'000	Equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
At 1 January 2023	134	1,887	3,300	224	5,545
Additions	16	221	396	2	635
Disposals	-	(68)	(49)	-	(117)
At 31 December 2023	150	2,040	3,647	226	6,063
Depreciation					
At 1 January 2022	101	1,215	2,152	125	3,593
Charge for the year	9	233	436	35	713
Disposals	-	(34)	(6)	-	(40)
At 31 December 2023	110	1,414	2,582	160	4,266
Net book value					
At 31 December 2023	40	626	1,065	66	1,797
At 31 December 2022	33	672	1,148	99	1,952

CHARITY

	Leasehold Property £'000	Fixtures & fittings £'000	Equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
At 1 January 2023	134	348	2,416	220	3,118
Additions	16	100	214	2	332
Disposals	-	-	(47)	-	(47)
At 31 December 2023	150	448	2,583	222	3,403
Depreciation					
At 1 January 2023	101	290	1,610	124	2,125
Charge for the year	9	27	292	35	363
Disposals	-	-	(5)	-	(5)
At 31 December 2023	110	317	1,897	159	2,483
Net book value					
At 31 December 2023	40	131	686	63	920
At 31 December 2022	33	58	806	96	993

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

11. Investments

Group	Managed Funds £'000	Total £'000
Cost or Valuation		
At 1 January 2023	12,165	12,165
Net gains on investment	677	677
At 31 December 2023	12,842	12,842

Charity	Investments in Subsidiaries £'000	Managed Funds £'000	Total £'000
Cost or Valuation			
At 1 January 2023	1	12,165	12,166
Net gains on investments	-	677	677
At 31 December 2023	1	12,842	12,843

Our portfolio of funds is managed equally by Cazenove Capital and CCLA. Their mandate is to maximise the overall growth of these funds through investment in various different asset classes while ensuring that the risks taken are carefully monitored, managed and controlled, whilst bearing in mind liquidity needs.

The following are subsidiary undertakings at 31 December 2023:

Name	Holding	Principal activity	Proportion held by the charity
The Air Ambulance Service Trading Limited	Ordinary shares	Retail charity outlet	100%
The Air Ambulance Service Events Limited	Ordinary shares	Dormant	100%
The Air Ambulance Service Recycling Limited	Ordinary shares	Dormant	100%
The Air Ambulance Service Aviation Limited	Ordinary shares	Dormant	100%
TAA Service	Company limited by guarantee	Dormant	n/a
The Children's Air Ambulance	Company limited by guarantee	Dormant	n/a

All of the above companies are incorporated in England & Wales.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

11.1 Net income from trading activities of subsidiary

The Air Ambulance Service Trading Limited, the wholly owned subsidiary of the charity is a retail charity outlet. A summary of its trading results for the year to 31 December 2023 are shown below. Audited accounts will be filed with the Registrar of Companies.

	2023 £'000	Restated 2022 £'000
Turnover	12,775	13,712
Cost of sales	(1,971)	(1,301)
Administration expenses	(11,511)	(10,008)
Other operating income	<u>2,218</u>	<u>31</u>
Operating profit	1,511	2,434
Taxation	<u>(49)</u>	<u>-</u>
Profit after tax	1,462	2,434
Retained earnings at the beginning of the year	2,357	1,483
Profit for the year	1,462	2,434
Gift aid payment	<u>(2,505)</u>	<u>(1,560)</u>
Retained earnings at the end of the year	1,314	2,357
The assets and liabilities at 31 December were:		
Fixed assets	877	958
Current assets	2,705	3,390
Current liabilities	(1,608)	(1,451)
Provisions for liabilities	<u>(660)</u>	<u>(540)</u>
Total net assets	1,314	2,357
Aggregate share capital and reserves	1,314	2,357

12. Debtors	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Amounts falling due within one year				
Amounts due from group undertaking	-	-	793	683
Trade debtors	177	136	92	29
Other debtors	16	24	15	22
Prepayments	884	985	735	595
Accrued income	2,813	2,724	2,556	2,724
VAT	244	334	139	183
	<u>4,134</u>	<u>4,203</u>	<u>4,330</u>	<u>4,236</u>

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

13. Creditors

	Group		Company	
	2023	Restated 2022	2023	2022
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade creditors	895	1,439	516	1,047
Taxation and social security	242	208	131	134
Other creditors	68	57	37	32
Accruals and deferred income	569	587	274	310
	<u>1,774</u>	<u>2,291</u>	<u>958</u>	<u>1,523</u>

14. Provisions for liabilities

	Balance at 1 Jan 2023	Additions in the year	Balance at 31 Dec 2023
	£'000	£'000	£'000
Dilapidations	540	70	610
Deferred tax	-	49	49
	<u>540</u>	<u>119</u>	<u>659</u>

15. Restricted funds

	Balance at 1 Jan 2023	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 Dec 2023
	£'000	£'000	£'000	£'000	£'000
The Children's Air Ambulance – Incubator	58	-	-	-	58
CAA Helicopter lease appeal	6	-	(6)	-	-
DLRAA Helicopter lease appeal	19	-	(19)	-	-
WNAA Helicopter lease appeal	31	-	(31)	-	-
Children's Air Ambulance Service	-	155	(155)	-	-
DLRAA Service	-	1,316	(1,316)	-	-
WNAA Service	-	3,543	(2,974)	-	569
Lloyds Charities Trust	49	-	(45)	-	4
Various Other Trusts and Foundations	58	217	(57)	(106)	112
LIBOR Funding	<u>466</u>	<u>-</u>	<u>(152)</u>	<u>(314)</u>	<u>-</u>
	<u>687</u>	<u>5,231</u>	<u>(4,755)</u>	<u>(420)</u>	<u>743</u>

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NOTES TO THE FINANCIAL STATEMENTS
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15. Restricted funds - continued

	Balance at 1 Jan 2022 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers £'000	Balance at 31 Dec 2022 £'000
The Children's Air Ambulance – Incubator	58	-	-	-	58
CAA Helicopter lease appeal	-	229	(223)	-	6
DLRAA Helicopter lease appeal	-	782	(763)	-	19
WNAA Helicopter lease appeal	-	1,849	(1,818)	-	31
Lloyds Charities Trust	49	-	-	-	49
Various Other Trusts and Foundations	58	-	-	-	58
LIBOR Funding	499	-	(33)	-	466
	<u>664</u>	<u>2,860</u>	<u>(2,837)</u>	<u>-</u>	<u>687</u>

Purposes of restricted funds

The Children's Air Ambulance – Incubator was an appeal launched to purchase an incubator for TCAA before it was part of TAAS.

Children's Air Ambulance Service represents funds received specially for the service of Children's Air Ambulance.

DLRAA Service represents funds received specially for the service of Derbyshire, Leicestershire and Rutland Air Ambulance.

WNAA Service presents funds received specially for the service of Warwickshire and Northamptonshire Air Ambulance.

The Lloyds Charities Trust donated a grant to purchase a new detachable stretcher for one of our clinical partners (Evelina Children's Hospital or Great Ormond Street Hospital). The stretcher was purchased and remaining funds are for ongoing maintenance costs.

The LIBOR funding was awarded to meet the capital costs associated with the two new Children's helicopters.

Various other trusts and foundations have provided donations for specific restricted projects.

During the year management conducted a review of Restricted funds, conditions were satisfied on £420,000 (2023: None) relating to capital expenditure, as such the restrictions were met and transferred to Unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

16. Unrestricted funds (group)

	1 Jan 2023 £'000	Incoming £'000	Outgoing £'000	Gains on Invest- ments £'000	Transfers £'000	31 Dec 2023 £'000
General funds	33,144	32,948	29,712	-	420	36,800
Investment revaluation reserve	165	-	-	677	-	842
	1 Jan 2022 £'000	Incoming £'000	Outgoing £'000	Losses on Invest- ments £'000	Transfers £'000	31 Dec 2022 £'000
General funds	26,927	30,723	24,506	-	-	33,144
Investment revaluation reserve	1,603	-	-	(1,438)	-	165
Unrestricted funds (charity)						
	1 Jan 2023 £'000	Incoming £'000	Outgoing £'000	Losses on Invest- ments £'000	Transfers £'000	31 Dec 2023 £'000
General funds	30,788	20,113	15,835	-	420	35,486
Investment revaluation reserve	165	-	-	677	-	842
	1 Jan 2022 £'000	Incoming £'000	Outgoing £'000	Gains on Invest- ments £'000	Transfers £'000	31 Dec 2022 £'000
General funds	25,445	18,541	13,198	-	-	30,788
Investment revaluation reserve	1,603	-	-	(1,438)	-	165

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17. Analysis of net assets between funds

	Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	14,639	-	14,639	13,819	298	14,117
Net current assets	23,003	743	23,746	19,490	389	19,879
	<u>37,642</u>	<u>743</u>	<u>38,385</u>	<u>33,309</u>	<u>687</u>	<u>33,996</u>

18. Operating lease commitments

At 31 December 2023 the charitable group had future minimum lease payments under non-cancellable operating leases as set out below.

Group

	2023		2022	
	Land and Buildings £'000	Other items £'000	Land and buildings £'000	Other items £'000
Operating leases which expire:				
Within 1 year	1,574	6,673	1,159	6,554
Between 1 to 5 years	4,660	23,384	4,572	24,493
More than 5 years	1,017	4,149	1,547	7,636
	<u>7,251</u>	<u>34,206</u>	<u>7,278</u>	<u>38,683</u>

Charity

	2023		2022	
	Land and Buildings £'000	Other items £'000	Land and buildings £'000	Other items £'000
Operating leases which expire				
Within 1 year	185	6,301	93	6,475
Between 1 to 5 years	494	22,585	347	24,400
More than 5 years	-	4,149	-	7,636
	<u>679</u>	<u>33,035</u>	<u>440</u>	<u>38,511</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Financial commitments

As a result of group registration arrangements for value added tax (VAT), the charitable company is jointly and severally liable together with other members of the group for any VAT due by the representative member of the group.

20. Capital commitments

Contractual commitments for a store refurbishment contracted for but not provided in the financial statements amounted to £84,181 (2022: £nil).

21. Membership

The Air Ambulance Service is incorporated under the Companies Act 2006 as a company limited by guarantee having no share capital. The liability of members to contribute towards the debts of the charity in the event of a deficit on winding up is limited to £1.

22. Controlling parties

In the opinion of the trustees, given the structure of the charity, there is no ultimate controlling party.

23. Related party transactions

Transactions with Trustees are disclosed in in note 7.

There were no other related party transactions in the year (2022: none)

As stated in note 1 to the financial statements, the charity has a wholly owned subsidiary The Air Ambulance Service Trading Limited. The results are consolidated into these accounts.