



HAMPSHIRE AND
ISLE OF WIGHT
AIR AMBULANCE



2022

ANNUAL REPORT

AND FINANCIAL STATEMENTS

hiowaa.org Company Number: 5244460 | Charity Number: 1106234



Photography by Tim Wallace

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TRUSTEES REPORT

Trustees and Directors

DAVID DREW
Chair

GWEN MOULSTER OBE
Vice Chair

PETER C TAYLOR JP, FCA, FRSA
Treasurer

ELIZABETH BROWN
(Resigned November 2022)

ANDREW CHEESEWRIGHT FCA

DR ANDY EYNON BSC (Hons) MBBS (Hons)

GRAHAM HILL FRCS (Tr & Orth)

BENJAMIN ROGERS

REBECCA BRACKWELL-SLADE

DANIEL TOWNSEND
(Resigned May 2022)

DAVID WAKEHAM

CATHARINE WILSON

STEVE VEAR MBE JP

Company Secretary

Sherie Williams Ellen

Chief Executive

Richard Corbett

Auditors

CLA Evelyn Partners Limited, 15-17 Cumberland Place,
Southampton, Hampshire, SO15 2BG

Bankers

Handelsbanken, Oceana House, 39-49 Commercial Road,
Southampton, SO15 1GA

Lloyds Bank Plc, 49 High Street, Winchester, SO23 9BU

CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling,
Kent, ME19 4JQ

NatWest, 25 West Street, Poole, Dorset, BH15 1LD

CCLA Investment Management Ltd, 80 Cheapside, London,
EC2V 6DZ

Investment Managers

Rathbone Brothers Plc, 32 Southgate Street,
Winchester, SO23 9EH

Brewin Dolphin, 12 Smithfield Street, London, EC1A 9BD

Registered Office

F4 Adanac Park, Adanac Drive, Nursling,
Southampton, SO16 0BT

Registered Numbers
5244460 Companies House
1106234 Charity Commission

Chairman's Introduction

It's a pleasure to be able to introduce the latest Report and Financial Statements for the year ending 30 September 2022.

On the 1 July the charity celebrated 15 years of supporting the population of Hampshire and the Isle of Wight. In reaching this milestone we can reflect on the many lives the organisation has made a lasting impact on and be rightly proud of this achievement.

After acting as Chair since the summer of 2021, I was delighted to take on the role in a substantive capacity in January 2022. During my first year as Chair I have continued to witness the way in which the organisation is constantly developing. In the last few months not only extending our reach by introducing a second paramedic led response vehicle but also starting a whole new element to our service through the new After Care Team.

I look forward during my period as Chair to continue to watch and support the organisation, as it grows its ability to save more lives and to develop ever closer relationships with the local community who we depend on to be able to deliver our service.

In closing I would like to thank all those from our front-line staff, our volunteers, partners through to our thousands of supporters, who come together to make the service what it is today. We could not be there without all of you.

Overview

The Trustees of Hampshire and Isle of Wight Air Ambulance (HIOWAA), who are also Directors of the charitable company for the purpose of Company Law, are pleased to present their Annual Report and the Financial Statements for the year ended 30 September 2022. The reference and administrative information set out on page 4 forms part of this report.

Structure, Governance and Management

Hampshire and Isle of Wight Air Ambulance is a registered charity (number 1106234) which was incorporated on 28 September 2004. The charity's Objects, as contained within its Articles of Association (amended in 2022) are: The relief of sickness and injury and the protection of human life for the benefit of the population of and visitors to the counties of Hampshire and the Isle of Wight and surrounding areas, by the provision and support of:

- Pre-hospital emergency medicine.
- Clinical operational and training services including the provision of such services to other ambulance operators and connected third parties.
- Audit, research, development, training and educational services in pre-hospital medical care; and
- Ancillary equipment and support services related to each of the above.

HIOWAA's Mission is: To ensure that, through your support, we always bring exceptional Critical Care to people in Hampshire and the Isle of Wight.

HIOWAA is governed by a board currently of 11 Trustees, including three honorary officers (chair, vice-chair and treasurer). The Board of Trustees must consist of at least three individuals and will not normally exceed 12.

The following committees report to the board:

- Governance and People: To ensure that the work of the charity is underpinned by the Charity Governance Code and employment law. To identify and encourage best practice in the charity's governance

Underpinned by the Charity's Values of:



Openness



Dedication



Professionalism



Teamwork

and HR management. To monitor changes in governance practice & policy and employment law.

- Finance and Investment: To ensure financial sustainability through; long term strategic financial planning, oversight of investments and associated policies, ensuring statutory financial reporting and the management of financial risk.
- Operations: To ensure we deliver maximum impact, in an operationally efficient and cost-effective way and to manage operational risk.
- Engagement (Renamed from Marketing and Fundraising in April 2022): To ensure strong public engagement to generate funds to secure our long-term sustainability, to ensure compliance with the fundraising codes of conduct and to manage reputational risk.

Trustees are recruited through an open and efficient process by the Board against required skill sets to ensure the right mix of proficiency and experience. All new Trustees receive an induction pack and appropriate induction meetings and training. Wider on-going training and development opportunities are also offered.



Trustees serve an initial term of three years, after which they may offer themselves for re-election; a trustee will not normally serve for longer than three terms. Formal Board meetings occur quarterly in order to achieve routine governance business and additionally, as required, for special purpose briefings.

Strategic direction of the charity is determined by the Trustees, who also take responsibility for assurance that relevant laws and codes are adhered to and to monitor performance against agreed objectives. Day-to-day business of the charity is delegated to the Chief Executive and his senior management team (SMT) who are authorised to deliver agreed plans on behalf of the Board.

Following a period of development HIOWAA became operational as an Air Ambulance in July 2007. Now in our 16th year of service, we operate through a partnership between the charity and four key partners. Together we deliver our mission for the people of Hampshire and the Isle of Wight:

HIOWAA charity Team: The charity team is led by our Chief Executive who is responsible to the Board for the delivery of our mission.

At the start of the financial year the charity operated through four directorates: Charity Operations, Fundraising, Marketing & Communications and Finance. Following a restructure and staff changes we now operate in three teams each led by a director –

Charity Operations: Responsible for supporting our people (staff and

volunteers), our premises and all equipment to support our medical and engagement activities.

Engagement: Responsible for securing income via public engagement, marketing, communications and fundraising.

Finance & Commercial: Responsible for day-to-day financial management and the contractual oversight of our key contracts.

Our key partners: These partners are contracted by the charity.

University Hospital Southampton (UHS), host the Helicopter Emergency Medical Services (HEMS) Care Group. UHS hold the contracts of employment (permanent/bank/honorary) for all clinical and dispatch staff. They also maintain essential clinical governance assurance, including the registration with the Care Quality Commission.

Babcock Mission Critical Services (Onshore) (BMCS), who provide every aspect of our aviation capability.

Lottery Fundraising Services (LFS), who run our society lottery and deliver a canvassing service for our regular giving campaign.

HIOWAA is contracted by the ambulance service to deliver critical care services on their behalf. This relationship gives us access to the 999 service on which we rely to access patients. Our partner being:

South Central Ambulance Service (SCAS) who provide access to the Emergency Operations Centres, from where HIOWAA assets are dispatched.

We also cooperate closely with our neighbouring Air Ambulance services and the Isle of Wight Ambulance Service.

Public Benefit, Openness and Accountability

The Trustees have paid full regard to Charity Commission guidance on Public Benefit. The Trustees remain confident that, through the provision of pre-hospital emergency medicine, which is freely available to the public in Hampshire and the Isle of Wight- we are in accordance with the regulations on public benefit.

The charity is subject to regulation by the Charity Commission, Companies House, Care Quality Commission, Civil Aviation Authority, Gambling Commission, Information Commissioner and the Fundraising Regulator. No serious incidents required reporting this year.

The board considers the diversity of Trustees to be a key priority but recognises the challenges meeting the combination of diversity imperatives. Following recruitments in summer 2021 the profile of the board has improved significantly however the board still recognises important gaps and this will continue to be a priority in future recruitment.

The Trustees review their performance against the Charity Governance Code and continue to implement recommendations of the external review held in July 2019. An internal review will be undertaken in 2023 leading to a planned timeline for the next external evaluation.

Environmental, Social and Governance (ESG): We are focussing on our social responsibility by ensuring that factors key to our supporters are central to our decision making. All board reports now contain a section focussed on the ESG implications of proposals. We will continue to develop our approach in this area recognising the challenges of meeting for instance net zero ambitions, given the nature of our operation.

Activities and Achievements

Summary of Key Achievements

Lives saved: *Visiting the Isle of Wight for the first time in May 2022, Janine, 71, and her husband Trevor, 72, from Lincoln had hardly unpacked their bags before Janine was being loaded onto our helicopter after she slipped and fell off a sea wall, hitting her head and back on the concrete steps nine feet below. Following multiple emergency surgeries, treatment and rehabilitation, Janine miraculously survived a fractured skull, a bleed on the brain and a fractured spine. The injury to her spinal cord means Janine will be in a wheelchair for the rest of her life.*



She said: “I don’t want to sound dramatic, but Trevor thought I was dead. It wasn’t until I let out a groan that he learned I was alive. He is sure I wouldn’t have made it without the Air Ambulance.”

This is the story of one deployment this year. Of the 1,693 deployments undertaken between October 2021 and September 2022, we have many similar stories of lives saved by our service – from our dispatch assistants to the crew out on the road and up in the air each playing their part.

Service Development

We continuously look to develop our service both through the training of our staff and enhancements to our delivery. This year we:

- Introduced a second crew to supplement our service during daytime hours. This extra specialist paramedic crew is already making an impact on our service provision.
- For patients and their families our intervention is only the start of what can be a long and challenging journey of recovery or for some families (and friends) the need to come to terms with sudden bereavement or to overcome the experience of witnessing a traumatic event. We have now established an After Care Team to support our patients and families on their journey of recovery.
- Renewed our aviation contract to fly 19 hours every day rather than as previously sharing night flying with Thames Valley Air Ambulance - providing added benefit especially for those on the Isle of Wight.

Sustainable Income

Despite a challenging year emerging from Covid restrictions and gaps in staffing as we restructured our fundraising approach, we received record income of £9,165k. This figure was boosted by significant legacy gifts and the continued support of our 16,655 regular supporters.

Fundraising Approach

Hampshire and Isle of Wight Air Ambulance receives no Government or National Lottery funding for routine operations, and it is only thanks to the generosity of the communities that we serve that we are able to keep the Air Ambulance flying and saving lives. Our income profile is broad and is designed to deeply engage with individuals

and groups. We employ a salaried, professional fundraising team, who do not earn a bonus, to manage our income streams and ensure that we meet statutory obligations to the Charity Commission and Fundraising Regulator.

Hampshire and Isle of Wight Air Ambulance work with Lottery Fundraising Service (LFS) as our third-party operator, to provide end to end management of our Flight for Life society lottery and to deliver a canvassing facility for our Small Change Big Difference committed giving campaign. There is a Commercial Participation Agreement in place, detailing the obligations of each organisation and regular reviews are in place to thoroughly appraise the service provided.

The LFS canvassers complete a charity induction that focuses on gambling and fundraising regulation, including standards of behaviour that are expected when they interact with the public. All canvassers are ‘Dementia Friends’ accredited by the Alzheimer’s Society to protect vulnerable persons. Additionally, the charity conducts regular canvasser mystery shopping exercises and compliance calls to ensure quality and consistency of service.

The charity is a member of the Chartered Institute of Fundraising, the Fundraising Regulator, and holds a society lottery license with the Gambling Commission alongside LFS. The charity maintains strong governance practices and remains compliant with the associated organisational codes of practice.

Any complaints that our fundraising activities may generate are recorded and investigated by the charity Operations team, reviewed by the relevant line manager, or referred to our third-party operator where appropriate. The Charity take any opportunities to improve supporter care very seriously. Our fundraising activities generate very few complaints each year with fewer than 10 received in 2021/2022; none required escalation beyond the charity.

YEAR IN NUMBERS

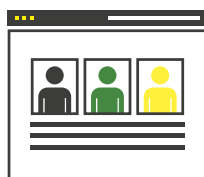
1 October 2021 - 30 September 2022



595

Event Participants

234,501



Website
page views



Total website users



116

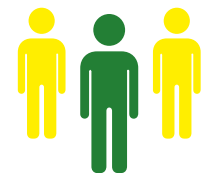
Volunteers



56,482

Lottery Players
as of 30 Sept 22

(player numbers – can include multiple tickets)



16,655

Regular Donors
as of 30 Sept 22



1,693

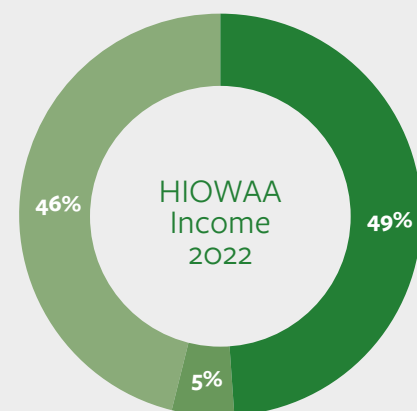
Total Missions



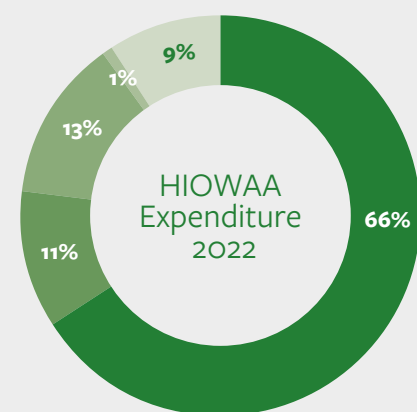
Total Deployments
in Helicopter



Total Deployments
in Emergency
Response Vehicles



- Donations and Legacies (49%)
- Investment Income & Bank Interest (5%)
- Lottery & Other Income (46%)



- Operations of Air Ambulance (66%)
- Fundraising Costs & Cost of Sales (11%)
- Lottery Costs (13%)
- Investment Management Fees (1%)
- Support Costs & Governance (9%)

Figures based on statutory accounts at 30.09.2022

Activity and Plans

Operations

Activity:

The core service delivered 1,693 missions this year making a positive impact to the lives of many patients and their families. This impact not only included lifesaving critical care interventions but also managing the scene at incidents, training with our colleagues in the ambulance service and providing outreach to ensure ambulance crews are aware of what we deliver and how they can seek our support.

The service was also enhanced by adding a second paramedic led team which deploys by car and appointing an After Care Team to support patients after our clinical handover. This team will not only be able to provide patients support in managing their paths to recovery but will also establish a feedback loop to allow us to better assess the impact of our service, while also helping us build an ongoing relationship with patients and their families.

In September we signed a new three-year contract with Babcock to deliver 19 flying hours daily. This replaced the previous sharing agreement with Thames Valley Air Ambulance where we flew 17/12 hours on a two-week rotational basis. The new contract takes an open book approach to costs and sets incentivised performance metrics.

Plans for next year:

We will allow the developments around flying hours, the paramedic car and the After Care Team to bed in during the year ahead, while continuously reviewing our set up as we immediately start the process to enable us to decide what aviation package we will be seeking from September 2025. Early decisions are required to allow for a potential aviation contract tender process and to update our contracts with both UHS and SCAS which will be renewed in the year.

We are also starting a Research programme after the appointment of a lead doctor; this will complement our involvement in the Whole Blood trial which we will be starting in partnership with other Air Ambulance services across the country.

Engagement

Activity:

The Engagement team went through a major restructuring this year. This amalgamated the Fundraising team and the Comms & Marketing team into one unit managed by a single Director. With significant staff turnover and recruitment, it was a challenging year for the team. Despite this distraction it was a year of record income as our events and community programmes were reinvigorated after the Covid years. We also maintained the support of our many loyal and regular donors, through managing our relationships and effective communication of the impact of our work.

Plans for next year:

The fully staffed and motivated team now have a golden opportunity to change the way in which the charity approaches income generation, supporter engagement and communication. This will focus on managing the long-term relationship with our supporters. We will also be looking at new and innovative ways to engage new donors, both through digital approaches and in our face-to-face interactions.

People & Business

Activity:

A process to update the organisational strategy started through forming a number of staff groups to review our approach under different themes. These working groups developed outline plans that will be developed into a full strategy review.

The restructure mentioned focussed on the Engagement team but also impacted on teams across the organisation. Also leading to the implementation of structured pay scales and a revised performance

management system with greater focus on objectives, key performance indicators and grading based on performance.

We retendered our IT support contract and onboarded a new supplier 'Silver Lining'. Our base at Adanac Park was also adapted by building a medical store and crew storage lockers to allow shifts to start and finish from this location.

Plans for next year:

We will be undertaking a full review of organisational policies and tightening our systems for ongoing review by delegated committees. We will also start to explore our digital strategy by focussing initially on systems for internal communications and file storage.

Our Ambition for the Future

Support more patients

We will continue to develop our way of operating and build on the training of our staff to provide the best possible service. This approach will look at both how we deliver our medical support through research and training and at strategic projects to improve our speed and flexibility of response, with the aim of utilising the most appropriate transport and approaches to get our highly trained crews with the right equipment, as quickly as is feasible to the patients to whom we can deliver maximum impact.

This means looking at our current operational bases, the mix and utilisation of cars and helicopter delivery, analysis of our operational and flying hours to deliver maximum benefit to patients. While also supporting research projects both locally and engaging in national trials like the Whole Blood trial.

Sustainable Income

Our approach to Engagement is aimed to build a lasting relationship with our regular donors. We will continue to build our pool of donors

both through canvassing but also through our events and community programme, as well as looking at digital recruitment. Once on board we will continuously communicate the impact of our service and the contribution of our regular donors in ensuring its sustainability.

We will also offer opportunities of those donors who might wish to increase their support of the charity, through volunteering, one off donations, increasing regular payments or recognising us further with a gift in their Will. We want to ensure we have a lifetime relationship with our supporters, where we continuously prove the impact of their support.

Environmental, Social, Governance (ESG)

A key part of the Engagement approach is recognising what is important to our supporters and ensuring we communicate what we are doing to manage the issues which are important to them. Going forward we will be looking to mitigate our environmental impact, while recognising the nature of our service. We will also maintain a focus on our equality, diversity and inclusion approach, especially to recruitment, while at all times maintaining strong governance of the organisation. We will also seek to develop our reporting to prove our focus and progress in delivering against ESG plans.

People, Business and Digital

Underpinning the operations are the business processes, systems and our people. These need to be continuously developed so we are supporting our people to deliver their best by providing the latest tools, approaches and training. We are conscious of the need to develop in all areas but especially around digital. We will be developing our digital systems to gain greater integration and supporting our people to gain maximum benefit from them.

Financial Review

Overview

We continue to gain significant regular monthly income thanks to the generosity of our regular donors and lottery players. This support, then bolstered by significant legacies and our programme of community outreach, allowed us to exceed our budgeted income enabling full delivery of our operational programme.

Income

Overall, we raised £9,165k in 2021-22, an increase of 11% on last year (2020-21: £8,269k). This significantly exceeded budgetary expectations mainly due to legacy income. All areas though contributed as our events and activities programmes restarted after the Covid suspension.

Expenditure

From the total expenditure of £9,840k, we spent 58% on the operation of our critical care services, 32% on lottery and fundraising costs, and the remaining 11% on support costs and investment management fees. Our operational expenditure was managed within budget but expenditure overall increased due to the loss in market value of our funds under investment.

Investment Policy

Rathbones and Brewin Dolphin continue as HIOWAA's appointed Investment Managers. The investment objective for both investment managers continues to be to preserve the value of the funds under management in real terms, balancing risk against return.

Ethical investing: Both our investment managers embrace ESG in the day-to-day management of our funds. As a charity we are actively reviewing our ethical investment approach.

The Trustees continue to review the performance of the charity's investments regularly, both on an ad-hoc basis and with an annual

formal performance review between the fund managers and the Finance and Investment Sub-Committee.

Changes in the economic climate will make it more challenging to meet our income objectives next year. We will be maintaining our approach during the current period of market uncertainty but will review during the year to potentially adapt policy in line with medium term market conditions.

Reserves Policy

The unrestricted reserves as at 30 September 2022 amounted to £17,299k, roughly 2 years of overall expenditure. The charity's current five year forward forecast confirms that on the basis of predicted income and expenditure, our reserves are adequate and will provide for sustainability of operations.

The charity is currently looking at a number of significant projects that could involve the deployment of reserves. Once decisions are finalised around these projects a review will be undertaken of the reserves policy. This is likely to lead to the designation of funds prior to the implementation of agreed projects.

Remuneration Policy

The pay of all staff is reviewed annually. The salary of SMT members is externally benchmarked and individual recommendations made by the CEO and agreed by the Governance and People Sub-Committee. The salary of the CEO is reviewed separately by the Chairman in liaison with this committee. In accordance with the Charities SORP, further detail on senior staff pay is contained in the notes to the financial statements (note 9).

Risk

On behalf of Trustees, the Chief Executive maintains a comprehensive Risk Register; this has been broken down into five key areas (Governance and Compliance; Operations; Income



Generation; Finance; People) and designed to assess risks that may impact on the charity achieving its agreed objectives. Whilst some areas of operational and clinical risk are transferred to our key partners, Trustees review quarterly the key risks that could impact on both the delivery and resilience of our life-saving service as well as the strong reputation of the charity.

The approach to managing risk is currently being reviewed and will now be refocused to look at strategic risks under five themes:

1. Impact (What we deliver)
2. Culture, People and Partnerships (How we deliver)
3. Reputation
4. Financial Sustainability
5. Compliance

Oversight of operational and project risks are delegated to the CEO with key current risks and opportunities reported monthly to the Board.

Further information

This report provides a snapshot of the work of the charity. For detailed information and stories of the patients whose lives we have impacted please visit our website www.hiowaa.org for more information on our life saving work.

Our gratitude

In closing the Trustees wish to reaffirm that our critical care service delivery is only made possible by the generosity and very broad support that the charity receives right across

the people and communities of Hampshire and the Isle of Wight.

We especially wish to acknowledge the contribution of:

- Our volunteers who provide an invaluable resource in supporting our operations.
- Tom Budgett supported by Bryan Cave Leighton Paisner LLP for Pro Bono legal assistance in securing the renewed aviation contract.

Accordingly, Trustees wish to record their sincere gratitude for this wide-ranging and vital generosity.

Trustees' Responsibilities for Financial Statements

The Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with the Companies Act 2006 and for being satisfied that the Financial Statements give a true and fair view. The Trustees are also responsible for preparing the Financial Statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Trustees acknowledge their responsibilities to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business;
- maintain and uphold the integrity of the information included on the website;
- ensure the financial statements are subject to the legislation of the country of incorporation which may be different to the legislation which applies in other countries.

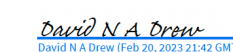
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Nexia Smith & Williamson (now CLA Evelyn Partners Limited) were appointed as the charity auditors, on 27 Sept 2016. The current Trustees confirm that they have taken all necessary steps to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information which has not been disclosed to CLA Evelyn Partners Limited.

In preparing this Trustees' report advantage has been taken of the small companies' exemption.

This report was approved by the Trustees on 20/02/2023 and is signed on their behalf by:


David N A Drew (Feb 20, 2023 21:42 GMT)

David Drew
Chairman



INDEPENDENT AUDITORS' REPORT

Independent Auditor's Report to the Members of Hampshire and Isle of Wight Air Ambulance

Opinion

We have audited the financial statements of Hampshire and Isle of Wight Air Ambulance (the 'charitable company') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of 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.

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

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the

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

We have nothing to report in this regard.

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, which incorporates the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report contained 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, or returns

adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the Trustees (who are also 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes

our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained a general understanding of the charitable company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance. We also drew on our existing understanding of the charitable company's industry and regulation.

We understand that the charitable company complies with the framework through:

- Outsourcing investment management, lottery fundraising, accounts preparation and VAT and tax compliance to external experts.
- Facilitating the completion of an annual return to the Gambling Commission in respect of the Lottery Funding Service.
- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to

the charitable company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charitable company:

- The Companies Act 2006, Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Gambling Commission regulations in respect of provision of an annual return, based on the audited financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Inspection of correspondence with the Charity Commission and Gambling Commission regarding any potential issues which may impact on the financial statements

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's

financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, especially revenue, via fraudulent journal entries.
- Inappropriate recognition of legacy income, as this is a judgement made by management and Trustees.

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Challenging management regarding the assumptions used in the recognition of legacy income and comparison to post-year-end data as appropriate
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with charitable companies.

A further description of our responsibilities is available on

the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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, for our audit work, for this report, or for the opinions we have formed.

CLA Evelyn Partners Limited
CLA Evelyn Partners Limited (inc 21, 2023 11:33 GMT)

Julie Mutton

Senior Statutory Auditor,
for and on behalf of

CLA Evelyn Partners Limited

Statutory Auditor
Chartered Accountants
Cumberland House
15-17 Cumberland Place
Southampton
Hampshire
SO15 2BG

21/02/2023

STATEMENT OF FINANCIAL ACTIVITIES

Statement of Financial Activities (Incorporating Income and Expenditure Account) for the year ended 30 September 2022

	NOTE	UNRESTRICTED FUNDS 2022 (£000's)	RESTRICTED FUNDS 2022 (£000's)	TOTAL 2022 (£000's)	TOTAL 2021 (£000's)
Income and endowments from:					
Donations and legacies	2	4,498	16	4,514	3,611
Other trading activities	3	4,246	-	4,246	4,287
Investments	4	405	-	405	368
Other - Government Grants		-	-	-	3
Total		9,149	16	9,165	8,269
Expenditure on:					
Raising funds	5	2,889	2	2,891	2,677
Charitable activities	6	5,681	8	5,689	5,135
Total		8,570	10	8,580	7,812
Operating surplus for the year		579	6	585	457
Net (loss)/gain on investments	11	(1,260)	-	(1,260)	976
(Deficit)/Surplus for the year		(681)	6	(675)	1,433
Transfers between funds		7	(7)	-	-
Net movement in funds		(674)	(1)	(675)	1,433
Funds at 1 October 2021		17,973	32	18,005	16,572
Funds at 30 September 2022		17,299	31	17,330	18,005

The statement of financial activities incorporating the income and expenditure account includes all gains and losses recognised in the year.

All amounts relate to continuing activities.

The notes on pages 18 to 28 form part of these financial statements.

BALANCE SHEET AT 30 SEPTEMBER 2022

Balance Sheet at 30 September 2022 | Company number 5244460

	NOTE	TOTAL 2022 (£000's)	TOTAL 2021 (£000's)
Fixed assets			
Tangible assets	10	507	602
Investments	11	12,898	14,287
		13,405	14,889
Current assets			
Stocks		20	22
Debtors	12	1,100	967
Cash at bank and in hand		5,509	4,033
		6,629	5,022
Liabilities			
Creditors: Amounts falling due within one year	13	(2,704)	(1,906)
		(2,704)	(1,906)
Net current assets		3,925	3,116
Total assets less current liabilities		17,330	18,005
Net assets		17,330	18,005
Funds			
Restricted income funds	19	31	32
Unrestricted funds	16	17,299	17,973
Total funds		17,330	18,005

Approved by the Trustees and authorised for issue on 20/02/2023 and signed on their behalf by:



David Drew
Chairman



Peter Taylor JP FCA FRSA
Treasurer

The notes on pages 18 to 28 form part of these financial statements.

STATEMENT OF CASH FLOWS ENDED 30 SEPTEMBER 2022

Statement of cash flows for the year ended 30 September 2022

	TOTAL 2022 (£000's)	TOTAL 2021 (£000's)
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	1,078	(205)
Cash flows from investing activities		
Purchase of property, plant and equipment	(54)	(235)
Net Withdrawal of investments/investment income	437	99
Interest received	14	
Net cash provided by/(used in) investing activities	397	(136)
Change in cash and cash equivalents in the financial year	1,475	(341)
Cash and cash equivalents at the beginning of the year	4,034	4,375
Cash and cash equivalents at the end of the year	5,509	4,034

Reconciliation of (deficit)/surplus to net cash flow from operating activities

	2022 (£000's)	2021 (£000's)
Net (loss)/income for the year	(675)	1,433
Adjustment for:		
Losses/(Gains) on investments	1,260	(976)
Investment income	(391)	(368)
Investment costs	81	68
Depreciation charges	147	169
Loss on disposal of fixed asset	2	-
Decrease in stock	2	7
(Increase) in debtors	(132)	(346)
Increase/(Decrease) in creditors	798	(192)
Interest received	(14)	-
Net cash provided by/(used in) operating activities	1,078	(205)

Analysis of changes in net debt would replicate the information provided above and is therefore not disclosed.



1/ Accounting Policies

Hampshire and Isle of Wight Air Ambulance is a company limited by guarantee and incorporated in England and Wales. The Address of the registered office is: F4 Adanac Park, Adanac Drive, Nursling, Southampton, SO16 0BT.

The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Trustees confirm that the charity is a public benefit entity, as defined in FRS102.

a) Accounting Convention

The financial statements are prepared under the historical cost convention with the exception of investments, which are included at revalued amounts.

b) Going Concern

The charity's primary sources of income are donations, legacies, lottery and investment income. After careful consideration of the charity's current financial position, the Trustees are confident that the charity has adequate resources to continue in operation for the foreseeable future which is at least 12 months from the date of approval of these financial statements. Accordingly they continue to adopt the going concern basis in preparing the accounts.

c) Presentation currency

The functional currency of the charity is in pounds sterling and the financial statements are also presented in pounds sterling.

d) Income

Income is recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Income represents the value of all grants, donations and other income receivable in respect of the year. Legacy income is included on receipt or when it becomes probable that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

Income from the lottery is recognised in the period in which the individual prize draws are held. Income received in advance of those draws is deferred until the period in which they take place.

Donated services are included at their estimated value to the charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

e) Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the respective category. Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Support costs are allocated to the category of expenditure to which they apply, including direct staff cost, such as operational and fundraising staff. Where costs are not directly attributable, such as administrative staff costs, these are apportioned on the basis of time spent by those staff on different activities.

f) Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The rates generally applied are on a straight line basis, as follows:

Leasehold Improvements	Over life of lease
Fixtures and Fittings	Over 4-10 years
Equipment	Over 4-5 years
Motor Vehicles	Over 4 years

Only tangible fixed assets costing more than £1,000 are capitalised.

g) Leased assets

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

h) Investments

Investments are included in the balance sheet at market value.

i) Funds

Unrestricted general funds can be used in accordance with the charitable objects of the organisation at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are given for particular restricted purposes.

j) Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Judgements in applying accounting policies and key sources of estimation.

Estimates and judgements are evaluated at each reporting date and are based on historical experience as adjusted for

current market conditions and other factors. Management makes estimates and assumptions concerning the future in preparing the financial statements and the actual results will not always reflect the accounting estimates made.

The estimates and judgements that are considered to be key to Hampshire and Isle of Wight Air Ambulance are outlined below:

Recognition of legacy income: where notifications of legacies are received prior to the balance sheet date but the income has not been received, an accrual for legacy income will be made if it is probable that the legacy will be received and the value of incoming resources can be measured with sufficient reliability.

Where these measurement criteria have not been met, consideration is made to determine whether the legacies meet the definition of a contingent asset. At the year end the estimated cash value of contingent assets is £nil (prior year £nil).



NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2022

2/ Income from donations and legacies

	UNRESTRICTED FUNDS 2022 (£000's)	RESTRICTED FUNDS 2022 (£000's)	TOTAL 2022 (£000's)	TOTAL 2021 (£000's)
Donations	3,053	16	3,069	2,646
Legacies	1,445	-	1,445	965
	4,498	16	4,514	3,611

The charity benefits greatly from the involvement and support of its many volunteers, details of which are given in the Trustee's report. In accordance with FRS102 and the Charity's SORP (FRS 102) the economic contribution of general volunteers is not recognised in the accounts.

3/ Income from other trading activities

	UNRESTRICTED FUNDS 2022 (£000's)	TOTAL 2022 (£000's)	TOTAL 2021 (£000's)
Lottery income	4,163	4,163	4,264
Other income	73	73	15
Sale of merchandise	10	10	8
	4,246	4,246	4,287

4/ Income from investments

	UNRESTRICTED FUNDS 2022 (£000's)	TOTAL 2022 (£000's)	TOTAL 2021 (£000's)
Investment income	391	391	368
Bank interest	14	14	
	405	405	368

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2022

5/ Expenditure on raising funds

	2022 (£000's)	2021 (£000's)
Fundraising costs and cost of sales	738	414
Fundraising staff costs	204	274
Allocated support costs (note 7)	749	728
Lottery prizes and expenses	1,119	1,193
Investment management costs	81	68
	2,891	2,677

Expenditure on raising funds was £2,891k (2021: £2,677k) of which £2,889k (2021: 2,677k) was unrestricted and £2k (2021: £ nil) was restricted.

6/ Expenditure on charitable activities

	2022 (£000's)	2021 (£000's)
Operation of Air Ambulance	5,346	4,826
Operation staff costs	50	34
Allocated support costs (note 7)	290	275
Grants to Institutions	-	-
Loss on disposal of fixed asset	3	
	5,689	5,135

Expenditure on charitable activities was £5,689k (2021: £5,135k) of which £5,681k (2021: £5,121k) was unrestricted and £8k (2021: £14k) was restricted.

7/ Analysis of expenditure on Support costs

	2022 (£000's)	2021 (£000's)
Administrative salaries and social security	680	613
Pension costs	17	31
Office costs	212	273
Other administrative costs	112	76
Governance costs	18	10
	1,039	1,003

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2022

	2022 (£000's)	2021 (£000's)
Support costs have been allocated as follows:		
Expenditure on raising funds (note 5)	749	728
Expenditure on charitable activities (note 6)	290	275
	1,039	1,003

8/ Analysis of Governance costs

	2022 (£000's)	2021 (£000's)
Auditor and accountancy fees	15	10
Trustees expenses		
Other	3	-
	18	10

9/ Staff costs

	2022 (£000's)	2021 (£000's)
Wages and salaries	846	842
Employer's national insurance	81	71
Employer's pension contributions	23	38
	950	951

Trustees travel expenses were £Nil (2021: £ Nil) during the year. There were no related party transactions during the year.

The average number of full-time equivalent employees was 28 (2021: 25).

The key management personnel of the charity comprise 4 staff members. The total employee emoluments of the key management personnel of the charity were £252k (2021: £340k). The highest paid employee received emoluments of £77k (2021: £73k) and pension contributions of £2k (2021: £18k) in the year.

The following employees received employee benefits (excluding employer pension costs and employers NI) during the year between:

	2022	2021
£60,000 - £69,999	2	3
£70,000 - £79,999	1	1

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2022

10/ Tangible fixed assets

	LEASEHOLD IMPROVE- MENTS (£000's)	EQUIPMENT (£000's)	FIXTURES AND FITTINGS (£000's)	MOTOR VEHICLES (£000's)	TOTAL (£000's)
Cost					
At 1 October 2021	579	441	97	186	1,303
Additions	-	50	4	-	54
Disposals	-	(19)		-	(19)
At 30 September 2021	579	472	101	186	1,338
Depreciation					
At 1 October 2021	179	294	71	157	701
Charge for the year	50	72	6	19	147
Eliminated on disposal	-	(17)		-	(17)
At 30 September 2022	229	349	77	176	831
Net book value At 30 September 2022	350	123	24	10	507
At 30 September 2021	399	148	26	29	602

11/ Fixed asset investments

	2022 (£000's)	2021 (£000's)
Market value at 30 September 2021	14,286	13,109
Net Income/Income withdrawals	(47)	270
Fee withdrawals	(81)	(68)
Realised and unrealised (loss)/gains	(1,260)	976
Market value at 30 September 2022	12,898	14,287
Historic cost at 30 September 2022	12,454	12,350

Total investment income as disclosed on the face of the Statement of Financial Activities also includes £14k (2021: £ Nil) of bank interest. All investments are listed.

No single investments exceeded 5% of total market value. The cash element was £317k.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2022

12/ Debtors

	2022 (£000's)	2021 (£000's)
Accrued income	336	441
Prepayments	560	445
Other debtors	204	81
	1,100	967

13/ Creditors: amounts falling due within one year

	2022 (£000's)	2021 (£000's)
Trade creditors	468	904
Other creditors	54	3
Lottery receipts in advance	550	468
Accruals	1,608	511
Other taxation and social security	24	20
	2,704	1,906

14/ Controlling party

The charity is controlled by its Trustees.

15/ Commitments under operating leases

The charity had commitments under non-cancellable operating leases as set out below:

	LAND AND BUILDINGS 2022 (£000's)	OTHER 2022 (£000's)	LAND AND BUILDINGS 2021 (£000's)	OTHER 2021 (£000's)
Within one year	93	2,110	93	1,561
In two to five years	316	4,154	349	3
In more than five years	490	-	550	-
	899	6,264	992	1,564

The charge to the Statement of Financial Activities relating to operating leases for the year was £1,637k (2021: £1,612k)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2022

16/ Analysis of Unrestricted funds

	AT 1 OCTOBER 2021 (£000's)	NET MOVEMENT IN FUNDS (£000's)	TRANSFERS (£000's)	AT 30 SEPTEMBER 2022 (£000's)
General fund - operational reserve	17,973	(681)	7	17,299
	17,973	(681)	7	17,299

Analysis of Unrestricted funds – prior year

	AT 1 OCTOBER 2020 (£000's)	NET MOVEMENT IN FUNDS (£000's)	TRANSFERS (£000's)	AT 30 SEPTEMBER 2021 (£000's)
General fund - operational reserve	16,566	1,372	35	17,973
	16,566	1,372	35	17,973

17/ Analysis of Restricted funds

	AT 1 OCTOBER 2021 (£000's)	NET MOVEMENT IN FUNDS (£000's)	TRANSFERS (£000's)	AT 30 SEPTEMBER 2022 (£000's)
Reserve for specified capital expenditure	3	9	(7)	5
Reserve for specific operational costs	21	5	-	26
Reserve for other specific costs	8	(8)	-	-
	32	6	(7)	31

Analysis of Restricted funds – prior year

	AT 1 OCTOBER 2020 (£000's)	NET MOVEMENT IN FUNDS (£000's)	TRANSFERS (£000's)	AT 30 SEPTEMBER 2021 (£000's)
Reserve for specified capital expenditure	-	38	(35)	3
Reserve for specified operational costs	3	18	-	21
Reserve for other specific costs	2	6	-	8
	5	62	(35)	32

18/ Post Balance Sheet Events

There are no post balance sheet events in the current year.

19/ Analysis of net assets between funds

Fund balances at 30 September 2022 are represented by:

	UNRESTRICTED FUNDS (£000's)	RESTRICTED FUNDS (£000's)	TOTAL FUNDS (£000's)
Tangible fixed assets	507	-	507
Investments	12,898	-	12,898
Net current assets	3,894	31	3,925
	17,299	31	17,330





HAMPSHIRE AND
ISLE OF WIGHT
AIR AMBULANCE

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