ESSEX & HERTS AIR AMBULANCE TRUST

England & Wales · Charity number 1108989

Details

Other names	ESSEX AIR AMBULANCE FUND, ESSEX AIR AMBULANCE TRUST
Status	Registered
Legal form	Charitable company
Company number	05397840
Registered	2005-04-12
Register	View on the Charity Commission register

Contact

Address	Essex & Herts Air Ambulance Flight House The Business Centre Earls Colne Business Park Colchester CO6 2NS
Phone	03452417690
Email	reception@ehaat.org
Website	www.ehaat.uk.com

Activities

Objects: To assist in relieving pain and sickness by the operation of a pre-hospital emergency medical service for the counties of Essex and Hertfordshire and surrounding areas. This service provided mainly by a helicopter emergency medical service with additional rapid response vehicles and to perform such other charitable purposes for the relief of pain and sickness consistent with the above object as the Trustees shall at their discretion determine.

Activities: To provide pre hospital care mainly with a Helicopter Emergency Medical Service, supported by rapid response vehicles.

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Classification

- **How:** Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** ESSEX AND HERTFORDHSIRE AND SURROUNDING AREAS
- Bedford
- Cambridgeshire
- Essex
- Hertfordshire
- Norfolk
- Suffolk

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£16,902,746	£18,267,892	£50,617,368	93
2024-03-31	£19,524,819	£15,743,704	£52,765,123	81
2023-03-31	£17,628,818	£13,951,222	£46,881,615	72
2022-03-31	£15,518,474	£12,137,493	£44,418,505	64
2021-03-31	£17,507,780	£11,329,614	£40,416,869	71

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Trustees

Name	Role	Appointed
Andrew Tunningley		2026-04-14
Claire Louise Smith		2026-04-14
DARREN HAYWARD		2026-04-14
Dame Alwen Williams		2026-04-14
JONATHAN CHARLES GOSSELIN TROWER		2026-04-14
Michelle Tennens		2026-04-14
ROY JOHN MARFLEET		2026-04-14
Tony McHugh		2026-04-14

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ESSEX & HERTS AIR AMBULANCE TRUST

England & Wales - Charity number 1108989

Accounts

Registered number: 05397840
Charity number: 1108989

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

THURSDAY

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COMPANIES HOUSE

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

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ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Jonathan Trower, Chair Darren Hayward Dr Ramzi Freij (Retired 13/02/2025) Clive Gilham (Retired 24/09/2025) Roy Marfleet Claire Smith Andrew Tunningley Ellisa Estrin Michelle Tennens Tony McHugh (Appointed 25/06/2025) Dame Alwen Williams DBE (Appointed 24/09/2025)
Company registered number	05397840
Charity registered number	1108989
Registered office	Flight House, The Business Centre, Earls Colne Business Park Earls Colne Colchester Essex CO6 2NS
Website address	www.ehaat.org
Company secretary	Brenda Playford
Executive Team	Jane Gurney – Chief Executive Officer (until 31/01/2025) Mark Jarman-Howe – Chief Executive Officer (appointed 15/09/2025) Jonathan Ager – Finance Director & Deputy CEO Dr Tony Joy – Medical Director Pam Withrington – Fundraising and Marketing Director (until 31/12/2024) Deborah McLean – Fundraising & Marketing Director (appointed 10/02/2025) William Long – Aviation Director (appointed 16/09/24) Leila Clarke – Retail Director (appointed 01/11/24) Lindsey Tuley – People & Workplace Director (until 25/05/25)
Development Board	Mark Bevan CVO DL, Chair Chris Philpot Rachel Sporborg Simon Brice DL Simon Tilley Steve Revill (Until 09/2025) Jonathan Trower Claire Smith
Independent auditor	Crowe U.K. LLP Medway Bridge House 1-8 Fairmeadow Maidstone Kent ME14 1JP

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Bankers	Barclays Bank Plc 40 High Street Chelmsford Essex CM1 1 BE
Solicitors	Nockolds LLP Market Square Bishop's Stortford CM23 3UZ
Investment manager	LGT Wealth Management 14 Cornhill London EC3V 3NR

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

This has been a year of change, challenge and progress, but we have continued to provide our first-class, free-of-charge, pre-hospital emergency medical service across Essex and Hertfordshire. Our services were as much in demand as they ever have been, as the following table demonstrates.

	2025	2024
Medical Emergency	1,036	1,088
Road Traffic Collision	498	547
Other Trauma	734	835
Other Mission Types	255	165
Total Activations	2,523	2,635

Great progress was seen in June 2024 when our new AW169 aircraft became operational flying out of our Earls Colne airbase. The Charity now owns both of its aircraft which are AW169s manufactured by Leonardo S.p.a. To celebrate the arrival of our new aircraft we held a "Heli-bration" event at Hatfield House which attracted over 5,000 visitors. As well as giving us the opportunity to show our supporters the new aircraft which they had funded, the event also received extensive media coverage raising awareness of our important life-saving work.

Progress was also made as we continued working towards our strategic goal of operating under our own Air Operators Certificate (AOC), during the course of the year we appointed a Continuing Airworthiness Manager and a Compliance Monitoring Manager both of which are nominated persons roles required by the Civil Aviation Authority. Having our own AOC will mean that in the future we will have greater control of all aspects of our operation including the ability to attract and retain our own pilots. We have subsequently appointed a Chief Pilot and a Chief Training Captain and expect to be operating under our own AOC in the next few months.

During the year our Centre for Excellence made further progress with, amongst other projects, research into the use of virtual reality technology in the pre-hospital environment which has been linked to our CPR Smart programme. This programme's objective is to train school children in CPR because we know that by-stander CPR can have the biggest impact on survival rates for out of hospital cardiac arrests. We have a number of exciting commercial opportunities with the virtual reality technology we have developed to date which will help refine this into a premium training product for use in a variety of training environments.

By contrast with all of this progress, our fundraising continues to face challenges and our overall income reduced by £2.6m. Our Flight for Life Lottery remains resilient but numbers of new sign-ups are not quite replacing those lost through attrition. The previous year also benefited from one exceptional legacy of £2.1m, boosting our legacy income to £4.6m. Our legacy income has now fallen back to a more normal £2m. Our investment portfolio saw an uncrystalised loss of £0.8m this year as fears of US tariffs impacted the markets at our year end. This is a material change from the uncrystalised gain of £2.1m in 2023/24. These falls in income, coupled with an increase in operating costs, largely as a consequence of an increase in the cost of our aviation resulting from last year's change in the provider of our aviation services, have led to this year's operational deficit of £1.3m.

However, more positively sales from our charity shops continued to grow as we opened new shops in Stevenage and Basildon coupled with the relocation of our existing shop on Mersea island to bigger premises. We continue to search for premises to grow our retail operation throughout the region. As well as being a direct source of income for the Charity, the shops help to increase awareness of the Charity and its work.

CHAIRMAN'S STATEMENT (continued)
FOR THE YEAR ENDED 31 MARCH 2025

I can also report that our reserves remain comfortably within the bounds of our policy requirements. They comprise both restricted and unrestricted reserves. Unrestricted reserves are available to be spent on any of the Charity's purposes. Unrestricted reserves include both free reserves and reserves designated for purposes such as the set-up costs for the Centre for Excellence. Due to the life-saving nature of our work, the Trustees take a cautious approach to free reserves so that we can ensure continuity of our services in all circumstances. Our Reserves Policy is to hold between 12 and 24 months of free reserves to safeguard the operation of our service for a prolonged period of time should our income fall for reasons outside our control. At the year end, sufficient free reserves were held to fund 18 months of forecast expenditure. The reserves policy is reviewed annually by the Trustees to ensure that any new or changed legislation or guidance is incorporated and to consider any changes in the circumstances of the Charity.

Perhaps the biggest change during the course of this year was Jane Gurney's decision to step down as CEO to pursue a new opportunity after 21 years of dedicated and distinguished service. Her time at EHAAT has been defined by vision, passion and an unwavering commitment to the Charity's mission and we wish her every success in the future. Finance Director & Deputy CEO, Jonathan Ager, has been acting CEO while we searched for a permanent successor which ended successfully in the appointment of Mark Jarman-Howe. Mark joins us from St Helena Hospice in Colchester, where he has served as Chief Executive since 2013. Having spent much of his recent career in end-of-life care, Mark is now making the move from supporting patients in the final stages of life to saving lives in the critical first moments – bringing his deep understanding of patient needs, compassion and strategic leadership to a new environment where rapid intervention can change outcomes in an instant.

We also marked the retirement of our Fundraising & Marketing Director, Pam Withrington, after nearly 20 years of involvement with the Charity. Pam played an instrumental role in EHAAT's evolution, helping to shape the charity from a small local organisation into the essential life-saving service it is today. We subsequently appointed Deborah McLean as our Fundraising and Marketing Director, she joins us from Greenpeace where she was part of the senior fundraising team.

In conclusion, I would like to thank the Executive Team, all of our staff and our volunteers for their hard work and dedication over the course of the year. I would also like to thank our newly formed Development Board, chaired by Mark Bevan, for their part in helping us start the process of diversifying our sources of income, and to thank my fellow Trustees for their commitment and support. A special thank you goes to Ramzi Freij and Clive Gilham who have both retired as Trustees after many years' service to the Charity. Finally I would like to welcome our newest recruits to the Board of Trustees; Tony McHugh, who has wide experience as a Finance Director in the private sector and Dame Alwen Williams who has had a long and distinguished career in NHS management.

Jonathan Trower

Jonathan Trower
Chairman
Date: 20 November 2025

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Within the Trustees' Report is the Strategic Report, required under Section 414c(11) of the Companies Act 2011.

1. Structure, Governance and Management

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the Group for the year ended 31 March 2025. The Board confirms that the Trustees' Report and financial statements of the Group comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in July 2014 (FRS102 SORP 2015).

a) *Governing Document*

Essex & Herts Air Ambulance Trust (EHAAT or the Charity) is a company limited by guarantee and was incorporated on 18th March 2005. It is governed by its Articles of Association, which were last amended on 22 March 2018. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Member (the members being the Trustees).

b) Appointment of Trustees

Trustees are selected by reference to a matrix of skills and experience that has been established to ensure that the Charity's objectives can be met. The matrix includes clinical, budgeting and finance, legal, fundraising, marketing, commercial sales, public relations, IT, HR management, community and voluntary sector expertise, risk and strategic planning.

New Trustees are given an induction pack at an orientation meeting to brief them on both the Charity and their legal obligations under charity and company law. It includes the Articles of Association, a Duties of Charity Trustees booklet, and strategic and business plans. We also arrange for them to meet the CEO, Executive Team and the wider staff spending a day at the head office. Trustees are given specific Charity information as well as external training.

There is currently no upper limit to the time that an individual can be a Trustee, but one-third of all Trustees are required to retire by rotation each year and, if willing to continue, offer themselves for re-election.

c) Values

Our actions are guided by our values – **passionate** in going the extra mile; **professional** in treating everyone as they would wish to be treated; **innovative** in driving forward best clinical practice; **trustworthy** in working openly and honestly; **dedicated** because we care about the cause, our patients and each other; and **inclusive** in treating everyone in the way which we ourselves would like to be treated.

d) Organisation

The Board of Trustees which governs the Charity can have up to twelve members — there were nine throughout the financial year until 13th February 2025 since when there have been eight Trustees, with a quorum requirement of five at all meetings. The Board met five times during the period under review. The Trustees delegate the day-to-day management of the Charity to an Executive Team by means of a formal Scheme of Delegation. Committees comprised of both Trustees and Executive Team members are established where necessary to advise the Board on various strategic matters. There were five in operation during this financial year and they are listed below.

Committee/Group	Trustees
Investment Advisory Committee	Andrew Tunningley (Chair), Jonathan Trower, Clive Gilham
Audit and Risk Committee	Clive Gilham (Chair), Andrew Tunningley, Michelle Tennens
Nominations Committee	Darren Hayward (Chair), Jonathan Trower, Claire Smith
Retail Advisory Committee	Claire Smith (Chair), Roy Marfleet
Clinical Committee	Ramzi Freij (Chair), Jonathan Trower, Ellisa Estrin

During the year we established a Development Board whose primary objective is the development of philanthropic giving and transformative fundraising at EHAAT. The Development Board is formally constituted as a fundraising group with a focus on major gifts. Formal decisions are to be made by the Exec Team and the Board following advice from this group.

The Chair of the Development Board appoints members to the Development Board following consultation with the Exec Team and Trustee Board. The Chair of the Development Board is identified and appointed by the CEO in consultation with the Chair of Trustees.

	Trustees	External Members
Development Board	Jonathan Trower, Claire Smith	Mark Bevan (Chair), Simon Brice, Chris Philpot, Simon Tilley, Rachel Sporborg, Steve Revill

e) Pay policy for senior staff

The Trustees consider that the Board of Trustees and the Executive Team (as detailed on page 1) comprise the key management personnel of the Charity. Trustees are not remunerated. The pay, related policies and annual remuneration of the Chief Executive Officer are decided by the Trustees, whilst the pay for the remainder of the Executive Team is decided by the Chief Executive Officer after consultation with the Trustees.

When setting remuneration levels, the Charity aims to strike a balance between market-appropriate pay, the need to attract and retain people with the required skills and our donors' expectations that the money which they entrust us with will be used wisely to provide a first-class helicopter emergency medical service.

It is central to achieving our objectives that the Charity can attract and retain high-performing senior leadership. Remuneration may vary depending on the job type, its complexity and the range of activities undertaken. It is validated objectively using market comparators such as salary survey data from charitable, private and public sectors as required. Independent advice from suitable third-party professionals is also sought, where deemed to be necessary, coupled with benchmarking against comparable Air Ambulance charities and other third sector organisations.

We are committed to fairness in our remuneration practices and follow these guiding principles:

- Proportionality – fairness and consistency in line with appropriate benchmarks
- *Rewarding Performance – ensuring an individual's remuneration is commensurate to their performance* and personal contribution to the Charity
- Recruitment and Retention – enabling us to attract and retain valued staff
- Expertise and Experience – ensuring it is appropriate for the role
  Transparency – openness and clear communication about the process undertaken when setting remuneration levels across the organization.

f) Structure

The Charity has four wholly owned subsidiaries: Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited. The principal purpose of the first three subsidiaries is to operate weekly lotteries together with raffles and that of the fourth is to conduct the Charity's trading activities. The profits of all companies are donated to the Charity under a Deed of Covenant. Following a change in legislation the lottery and raffles now operate under a single licence held by Essex & Herts Flight for Life Lottery Limited. This means that Essex & Herts Flight for Life Lottery Operations Limited and Essex & Herts Flight for Life Lottery Critical Care Limited are dormant.

g) Code of Governance

The Trustees look to promote good governance throughout the Charity, continuing to ensure we operate, where applicable, in line with best practice as set out in the Charity Code of Governance. In particular the Trustees updated the Charity's policy on length of service for Trustees to bring it in line with recommended practice while allowing for flexibility if required. The Charity currently has one Trustee who has served in excess of the recommended nine years.

h) Related Parties

Trustees and members of the Executive Team are the people who can control or significantly influence our Charity, and so they disclose their interests in a register which is reviewed annually by the Board of Trustees as a whole. In addition, there are occasional transactions which directly involve individual Trustees, and when Trustees consider these arrangements, the relevant Trustee leaves the Board Meeting for such business. All such transactions which arose during this financial year are disclosed in this annual report within Note 26.

2. Objectives and Activities

a) Objectives

The objective of the Charity is to assist in relieving pain and sickness by the operation of a pre-hospital emergency medical service for the counties of Essex and Hertfordshire and surrounding areas. The service is provided mainly by helicopters with additional rapid response vehicles being used when necessary. The Charity may also perform such other charitable purposes for the relief of pain and sickness consistent with this objective as the Trustees shall determine at their discretion.

b) Public Benefit

The Trust provides a free of charge, pre-hospital emergency clinical service that assists people in our geographical area, and adjacent areas, with serious illness or injuries and helps save lives. In shaping the objectives of the Trust for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

c) Activities

Essex & Herts Air Ambulance, unlike the NHS emergency services, is a charity providing HEMS for the critically ill and injured of Essex, Hertfordshire and surrounding areas. Our fundraising activities are planned to optimise our income to fund this life-saving service and build the Charity's brand awareness. Transparency and good governance are recognised as being essential to maintain the trust and support of members of the public and their resulting financial generosity.

3. Strategic Report Achievements and Performance

a) Operations

Aircraft
Following the introduction of the second AW169, G-EHAT, in 2024, the pilots have settled into the operational tempo of operating two AW169s. Whilst they are the same type of helicopter, the age difference, 7 years, means that G-EHAT has benefitted from several upgrades to the software and airframe leading to performance improvements. G-EHAT underwent its first annual maintenance with Gama Aviation at Staverton during which time the contracted fitting of a Trakka light was finally completed.

AOC Development
The AOC application process and related internal infrastructure continues at pace with the target to be operating under our own AOC in the next few months. We are focused on all relevant training of the crew and initiation of the new Maintenance Repair & Overhaul (MRO) and Continuing Airworthiness Management Organisation (CAMO) contracts. The formation of the AOC team continues, with our new Chief Pilot and Chief Training Captain appointed. Recruitment for our own pilots and operational support staff continues.

Pilotage
We are currently experiencing an industry wide shortage of pilots which is impacting our service provider. This has meant that on a number of days we have been unable to respond by helicopter from one of our bases due to a lack of pilots. On days where this happens we continue to provide our lifesaving pre-hospital emergency care to patients 24/7 using one helicopter and our fleet of rapid response vehicles (RRVs), just as we do when our helicopters are unavailable due to maintenance or weather. We continue to work with our colleagues at the East of England Ambulance Service to provide the best critical care to our patients. We remain confident that operating our own AOC will allow us to better resource our helicopter operations.

Activations

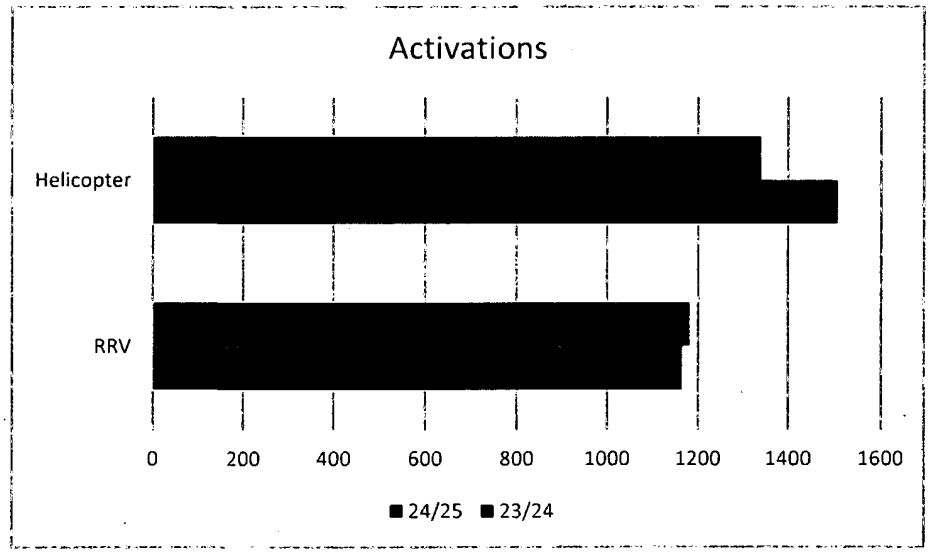


Figure 1 Activations RRV vs Helicopter

Figure 1 shows a 12% decrease in the use of the helicopter and a 1% increase in the use of the RRV's in the context of a 6% decrease of activations overall which are analysed by type in figure 2 below.

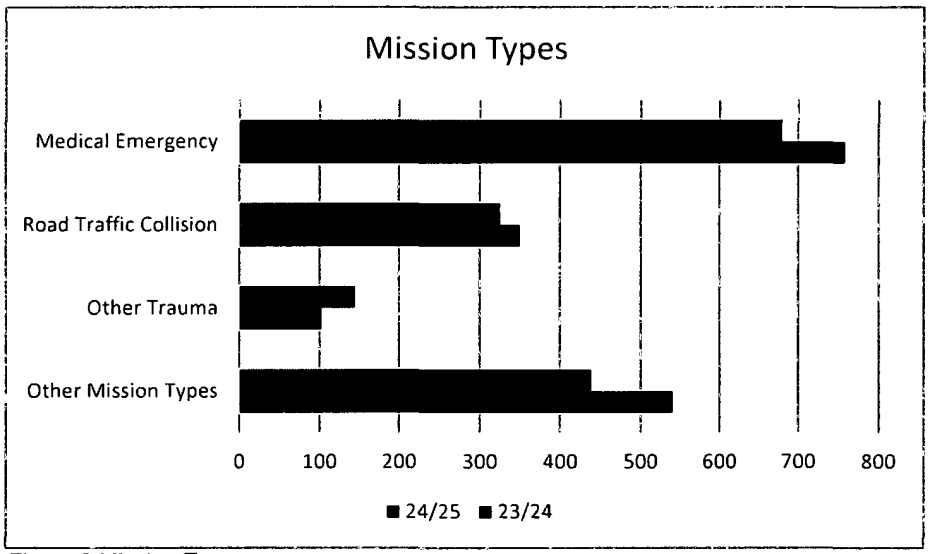


Figure 2 Mission Types

b. Clinical

Clinical Leadership

It has been a year of consolidation for the Clinical Leadership structures established in the previous year. Under the leadership of Dr Tony Joy (Medical Director) and with the support of Dr Gareth Davies (Senior Medical Advisor) the clinical service structures have evolved to reflect the significant developments that the organisation has seen over recent years, alongside the ambition and vision of the Centre for Excellence.

The Clinical Steering Group (CSG) meets monthly and oversees the design and implementation of the clinical strategy. The CSG supports a wide range of clinical development activities and engages the wider clinical team including the doctors, paramedics and patient and family liaison nurses through monthly Clinical Forum meetings which present an opportunity for all team members to contribute to service development and improvement initiatives. Our Special Interest Groups (SIGs) have also been further embedded throughout the last year and currently focus on the following areas of importance:

- Head Injury
- Cardiac Arrest
- Clinicopathological correlation (learning from death)
- Anaesthesia & analgesia
- Tasking & transfers
- Silver trauma & frailty
- Bleeding patients
- Paediatrics & obstetrics
- Clinical diagnostics
- Major Incident and Emergency Preparedness

The clinical leadership and management structures also ensure that our service demonstrates continuous learning and improvement.

- The Quality Assurance Working Group meets quarterly and ensures that the processes which assure the quality of our care are tightly overseen and under constant review.
- The Clinical Risk & Safety Group meets monthly and reviews clinical and operational incidents to ensure that themes are identified and mitigations placed to ensure organizational learning from incidents
- During the year we also launched our Research Oversight Groups and Education Oversight Groups, providing oversight of the wide range of activity undertaken in our Centre for Excellence.

Clinical Service

Our function is to provide high quality critical care to the communities across Essex & Hertfordshire. Over the last twelve months we have been tasked to 2,523 missions, treating a total of 1,736 patients.

Our Doctor and Critical Care Paramedic team are available 24 hours each day of the year to provide critical care wherever this is required. We operate with two helicopter-delivered teams each day, one from each of our airbases at North Weald and Earls Colne. In the event that our helicopters are unable to fly due to poor weather conditions or technical reasons, our team remains available to respond via Rapid Response Vehicle (RRV). Our night team service responds by RRV.

We see the full range of clinical presentations across our caseload, with the slight majority being those suffering from a critical injury (trauma) but also a large number of patients who have suffered a cardiac arrest. Alongside trauma and cardiac arrest, we also attend a wide range of other medical emergencies including those affecting babies and children.

Within our geographical region we work closely with hospital partners that form part of two Major Trauma Networks (The East of England Trauma Network & The Northeast London & Essex Trauma Network). We also work very closely with the regional ambulance service provider, East of England Ambulance Service Trust and, to a lesser extent, London Ambulance Service. We have been working to strengthen our relationships with all of our partners in the region, as we recognize the importance of the onward chain of care and the important part we must all play to ensure strong communication, robust governance and joined-up clinical pathways for the purpose of ensuring our patients receive the highest quality care.

Examples of recent partnership development include hosting a day for all the hospital Trauma Directors from across the Northeast London & Essex Trauma Network for a positive day of discussions around education, governance and pathway development.

Our clinical service continues to develop year on year as we seek to continuously improve outcomes for our patients. In the last year we have introduced a range of innovative clinical processes which include:

- Video laryngoscopy – using high tech camera-enhanced devices to improve the delivery of a breathing tube in patients for whom we deliver an anaesthetic in the prehospital environment.
- Regional anaesthesia – providing enhanced pain relief for patients with specific severe injuries by injecting local anaesthetic medication directly into a body region using advanced techniques and ultrasound guidance.
- Point-of-care blood testing devices to help us optimise the care we provide for patients with serious head injuries.
- Pupillometry devices which measure the reactivity and size of pupils, an important aspect of understanding the severity of patients with serious head injuries.
- Lateral canthotomy, a surgical procedure that can be sight-saving in patients with bleeding behind the eye, and for which we have formalised our equipment and technique.

Alongside these developments we continue to provide many interventions that allow us to ensure our care is compassionate, precise and gives our patients the best chance of surviving their injury or illness with the best outcome.

Our clinical workforce

On every shift there is a specialist doctor and Critical Care Paramedic, both of whom have undergone an extended period of supervised training to deliver care according to the highest clinical standards stipulated by our training processes, our Standard Operating Procedures, and our clinical pathways. Our doctors tend to come from a hospital background of Emergency Medicine, Critical Care Medicine or Anaesthesia, and our Critical Care Paramedics have also demonstrated specialist aptitude towards critical care and advanced paramedic practice. All of our doctors and Critical Care Paramedics are recruited competitively and we continue to receive a high level of interest and application for all of our clinical roles.

This year we appointed new consultants to strengthen the senior-most tier of the medical side of our workforce. There was a very high level of internal and external competition in this recruitment process bringing a superb pool of talents, abilities and experiences together. The consultant group has recently commenced and will provide senior supervision and training to our Flight Doctor and PHEM trainees, as well as contributing to a range of service developments and portfolios. They will meet monthly and provide ongoing surveillance of our clinical caseload through the Consultant of the Week function.

We will be recruiting Critical Care Paramedics in 2025, in partnership with the East of England Ambulance Service. We continue to develop our paramedic development strategy, to ensure that this skilled cohort of clinicians has access to career progression and development as they enhance their critical care skills during their secondments to EHAAT.

This year, we have also introduced a Clinical Pharmacist role to strengthen our complex medicines management. We carry a range of Controlled Drugs which require meticulous attention to the requirement of statutory regulation as stipulated by the Home Office. We also carry a range of advanced medications for treatment of various medical conditions and are continuously seeking to improve our management of our complex pharmacology to be the most efficient and effective provider that we can be.

We also reinforced our clinical management team by appointing a Clinical Support Assistant. The Clinical Management team are responsible for day-to-day oversight of the operational aspects of the clinical service, as well as safely introducing new processes through our bi-yearly Clinical Change Management system.

Centre for Excellence

The Centre for Excellence is now fully established and delivering output across a range of workstreams. The portfolio of activity continues to develop rapidly, with much of the work translating directly into the operational side of our clinical team through innovations and developments in our clinical practice.

Our Research Lead Dr Sarah McLachlan left EHAAT to pursue a new and exciting role in the new Centre of Excellence for Equity in Uniformed Public Services (CEEUPS) at Anglia Ruskin University. We will continue to work closely with Dr McLachlan in her new role, and we have appointed a new Senior Research Advisor to steer the ongoing development of our ambitious research portfolio. We have two PhD students working on important studies looking at a) diagnostics in head injury and b) the quality of bystander CPR in cardiac arrest care. Our team have published various peer-reviewed journal articles this year which continue to influence the international literature and scientific understanding of important domains in prehospital care.

In Education and Training, our Prehospital Care Course is now established as a high quality six day training course for our new clinicians and has also been attended by a number of national and international delegates over recent iterations. The feedback from the course has been outstanding, and we are particularly pleased to have introduced Patient and Public Involvement into our educational activity, involving former patients in informing our educational practices to ensure our care is patient-centered and compassionate at all times.

Our Patient & Family Liaison Team continue to provide exceptional aftercare and support for our patients. They are a core part of improving our patients' outcomes in the aftermath of their critical injury or illness. The compassion and kindness demonstrated by the PFLT to our patient community allows them to provide advocacy for the patient voice across a range of important areas. For instance, we are regularly asked to support the media with enquiries about incidents or our work in general, and our PFLT ensure that this process remains respectful of our patients' interests at all times. This year, the PFLT have raised our understanding and awareness of bereavement, a very important area for us to discuss in order to ensure that we provide effective support for those who are left bereft.

We continue to develop our schools' CPR training project, CPR Smart, and have recruited an additional CPR Smart Paramedic to help us provide training across more schools in Essex & Hertfordshire. A large number of schools have subscribed to our scheme, and we are working hard to ensure that we deliver their training and thereby create the next generation of life savers. We are also developing our Virtual Reality CPR strategy, which will enable us to scale up our CPR training initiative through the use of this important technology.

Cardiac arrest care remains a clinical focus for the Centre for Excellence, and we are working closely with East of England Ambulance Service to pilot an innovation that will allow specialist paramedics to provide remote advice via video-call to responders on scene before the arrival of emergency medical services. This has been shown to improve outcomes in other countries and is an essential yet overlooked area of the vital chain of survival in cardiac arrest. We are also developing our advanced cardiac arrest clinical care for when our team has arrived on scene to ensure we can provide the most sophisticated prehospital interventions in a timely manner through expert training and understanding of the underlying conditions. Our partnership with Basildon Hospital as the regional Cardiac Centre continues to develop through a range of collaborative workstreams.

Clinical Governance

Central to the philosophy of our clinical service is the culture of ongoing learning and reflective practice, and every Tuesday we hold a day of case review meetings at our North Weald airbase. These meetings enable our clinicians to discuss and share experiences and learnings from the complex caseload that they attend. It also enables our governance team to assure the quality of care provided. We often integrate teaching sessions, simulation training or clinicopathological correlation sessions into these meetings, the latter involving our honorary forensic pathologist, Dr Ben Swift, who helps us to correlate the findings from post-mortems where patients have sadly died with the clinical findings of our teams established in the course of providing care for these patients.

We also provide Clinical Governance Days (CGD) which offer our wider community of interested stakeholders with an opportunity to learn with us on specialist topics such as Aviation Safety or Major Incidents. Alongside the CGDs, we have undertaken a number of Team Inset Days focusing on clinical topics that our team can explore in depth in order to help develop the service and our own processes. Topics this year have included Spinal Injuries, Bleeding Patients, Frailty, and our use of Ultrasound.

Care Quality Commission

In 2022, our most recent inspection by the CQC, we achieved a rating of 'Outstanding'. Building on this rating and continuing to deliver an outstanding service is imperative for us, and we continuously strive to foster a culture where high quality care is delivered by our teams to each and every patient that we attend.

We monitor our compliance with regulatory standards through our Quality Assurance Working Group and through our governance system and audits. Through an internal registry we continue to maintain an evidence log of our activities in order to demonstrate good practice in the key lines of enquiry for the CQC. We also ensure that we take opportunities to learn from incidents and improve our care in partnership with the other providers in the region.

c. Fundraising

The fundraising landscape has continued to be challenging this year. We have continued to invest in the areas that are working well and to further diversify our income streams. Our Flight for Life lottery and Gifts in Wills continue to be our largest sources of income – together they accounted for 66% of our income. This year we have seen further growth in regular giving as well as donations from companies, trusts and foundations and major gifts. Donations from individuals, groups and societies have seen a downturn this year as our supporters felt the impacts of the cost-of-living crisis. Legacy gifts were impacted by delays in probate administration.

One of the highlights of the year was our Heli-bration event in July to celebrate the launch of our new AW169 helicopter. We were delighted to celebrate with more than 5,000 supporters from across Essex and Hertfordshire. Our thanks go to all of those who donated to fund our new helicopter, to local companies including Fishpools, Gama Aviation, Gates Ford, Leonardo, Milbank, Rickard Luckin, SRC Group and Templant for sponsoring the Heli-bration event, and to the local media for promoting the event and the launch of our new helicopter. Since launch the new helicopter has been on 417 missions to help save the lives of those in most critical need across Essex and Hertfordshire.

Individual giving
We saw a 26% increase in regular giving, with income growing from £547k to £687k. The majority of new donors joined from our canvassing programme bringing the total of new regular giving supporters to 7,214. Donations from individuals saw a decline on previous years generating £384k with an additional £211k generated through Gift Aid.

Legacy and In Memory giving
Income from In Memory donations remained strong generating over £285k and was broadly in line with last year. Income from legacies reached £1,957k which was significantly lower than the previous year resulting from a combination of receiving a very generous legacy gift the previous year and delays in probate administration. We continued to promote legacy giving to inspire more supporters to help fund our life-saving missions through a gift in their Will.

Flight for Life lottery
EHAAT's Flight for Life lottery remained our biggest source of income generating ticket sales of £9,168k. The economic climate continues to adversely impact on the numbers of new players joining the weekly lottery. Therefore we continued to test new ways to attract new players to help stabilise income from this area. This included a multi-channel promotion and two one day pop up events in Chelmsford city centre. We ended the year with 93,387 supporters playing 170,852 weekly chances in the draw or super draw.

We continue to use two professional canvassing organisations which represent our values to the wider community. Through contractual terms and conditions, regular meetings and training, we ensure that they follow our values but we also closely monitor their activities. Any complaints received are followed up in detail and are reported to the Board of Trustees each month. During 2024-25 we received and followed up on only 3 such complaints in total out of 22,475 new sign-ups. The activities of these organisations are also regulated by the Gambling Commission and Fundraising Regulator. In our efforts to help protect vulnerable people, we require all canvassers to be Dementia Friends and to attend a dementia awareness training course. Underage players are not permitted to join the Lottery; we also limit the number of chances that players may have in the lottery.

Community and volunteering
Our dedicated team of volunteers, ambassadors and community fundraisers have worked tirelessly to generate £676k through collecting tins, local events like Strictly Air Ambulance, charity football matches, groups and society fundraisers, visitor centre donations and sponsored activities and events. Although income was lower than budgeted, the amount of money raised is significant and we are deeply thankful to everyone who has been involved.

In December an In Aid of EHAAT Carol service was held at St Mary's Church, Ware raising over £31k, thanks to its huge success more events like this are being planned for 2025/26.

Philanthropy and Partnerships
This year we established a new Philanthropy and Partnerships team to grow income from local companies, trusts and foundations and high net worth individuals. Income from companies rose to £229k, income from Trusts and Foundation rose to £117k and Major Gift Income generated £60k. Philanthropic income has funded specific areas including CPR Smart, clinical research and innovations in specific pieces of life-saving equipment. Philanthropic giving is a pivotal part of our plans to diversify our income streams, and this year we have established a new fundraising Development Board to help us with this Philanthropic giving programme.

Retail Division

This year saw significant progress for our retail division with the development and delivery of our new 5-year retail strategy. This strategy will provide the necessary focus and guidance to continue our growth. We also welcomed a new Head of Retail and Retail Director, bringing fresh perspectives and accelerating our progress.

Key achievements include:

- **Expansion**: We successfully opened two new shops and relocated our Mersea shop to a larger trading unit.
- **Donation Bag Intake**: Our expectations were surpassed with over 120,000 bags received, a year-on-year increase of over 25%.
- **Online Platforms**: Our eBay platform remains our strongest income driver, supported by Facebook and Vinted.
- **Gift Aid**: We signed up 4,242 new donors, bringing the total to 27,172 and generating over £129,000

25.8% increase year-on-year.

Along with the charity sector as a whole, we faced a decline in rag income of over £38,000 due to falling prices. We continue to monitor and manage this situation closely.

d) Financial Review

The consolidated accounts are for Essex and Herts Air Ambulance Trust and its wholly owned trading subsidiaries Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited.

The financial highlights of the year include:

- Total incoming resources fell by 13.3% to £16.9m (2024 - £19.5m).
- Total resources expended increased by 16.6% to £18.3m (2024 - £15.7m).
- Operating Surplus fell to a £1.3m deficit (2024 - £3.8m surplus).
- Retained reserves decreased to £50.6m (2024 - £52.8m). Of this, £23m is in the form of designated funds which include £5m designated for the creation of a new expendable endowment trust and £18m for fixed assets including both aircraft and the airbase at North Weald.

A breakdown of amounts held in specific funds for restricted, unrestricted and designated purposes is shown in note 18 of the financial statements.

Income Generation
Donations and collection tins continued to grow steadily up by £89k (4.3%) from last year. Retail income from our charity shops continued to grow significantly and was up £213k (15.6%) on the previous year. Lottery sales declined by £269k as new players recruited did not quite replace those who cancelled their membership. Legacy income in the year was down £2.6m on the previous year which had benefited from an exceptional £2.1m bequest. As a result reported total group income (incoming resources) decreased in total by £2.6m (13.34%) from the previous year's record.

Resources Expended
Total group expenditure (resources expended) increased by £2.6m (16.6%) in the year. This was mainly driven by increased expenditure on Charitable Activities with further planned growth in the Centre for Excellence coupled with higher ongoing helicopter operating costs following the sale last year of SAS, our aviation service provider, to Gama Aviation.

Performance Summary
Decreases in income coupled with the cost increases detailed above resulted in an operating deficit being generated for the year.

Our net cash balances and investments at the year-end were £34.3m, down £1.1m from last year as we dipped into our reserves.

Reserves Policy

Free reserves are freely available to be spent on any of the Charity's purposes; these amounts are contained within the General Fund. In this context, reserves exclude tangible fixed assets held for the Charity's use. The Trustees aspire to hold between 12 and 24 months of total expenditure in unrestricted general reserves to safeguard the operation of the service should our income fail or we face an unexpected eventuality. Current unrestricted general reserves represent 18 months' forecast total expenditure. The Trustees consider the current levels of reserves to be appropriate in ensuring the Charity remains financially robust and that it can continue to operate during periods of uncertainty, such as those experience over recent years. Below is a breakdown of the reserves.

£'000	2025	2024
Total reserves	50,617	52,765
Less:		
Designated reserves	(17,964)	(19,237)
Endowment funds	(5,000)	(5,000)
Restricted reserves	(19)	(10)
Free reserves	**27,634**	**28,518**

Investments

Our investment portfolio is now managed by LGT Wealth Management following their acquisition in 2023 of abrdn's Charity and Private Client business, but our principal client management team remain the same. LGT is the largest family-owned private banking and asset management group in the world, managing around £250bn for high net-worth private individuals, charities and institutional clients. During the year our portfolio temporarily decreased in market value by £0.8m, having a market value at the year-end of £31.9m. This is a notional loss only; our investments are held for the medium to long term and are made using professional investment advice. In planning our investment strategy we consider the security of our investments, our future funding needs and market returns available for a given level of risk.

e) Plans for the future

Clinical

We will be continuing to focus on improving care for our patients and ensuring that our clinical processes are the best that they can be. Our ten Special Interest Groups continue to work hard to deliver continuous improvements in their domains, with various service developments being introduced throughout the year alongside robust clinical audits, research projects and educational programmes. Examples of new developments include:

- Working with our regional partners to deliver a Cardiac Arrest dispatch desk providing specialist guidance from the point of the 999 call to improve patient outcomes
- Further work in our Clinicopathological Correlation (CPC) workstream to improve our understanding of pathology in our trauma and medical patient caseload
- Refining our research and scholarship strategy, and embedding our clinical audit programme to strengthen our culture of continuous learning
- Growing our CPR Smart programme to provide more life-saving training to school-children across Essex & Hertfordshire

Operations

The main focus for the Operations Team for the forthcoming year, will be to deliver the AOC on time and then conduct safe and legal operations to the satisfaction of the CAA. The CAA will conduct an initial audit on our AOC operations within the first 6 months of going live.

Fundraising

Our focus remains on diversifying our income streams to make us less reliant on a single income source and to grow income to fund our core HEMs service and clinical innovation within our Centre for Excellence.

Our volunteers and community fundraisers will continue to play a critical part raising much needed funds for our mission. We also hope to grow income from households and individuals within our community by increasing the number of people playing our weekly lottery and giving through one-off donations and regular monthly donations.

A key area of our strategic development is to grow income from major donors, local businesses and trusts and foundations. Our newly established fundraising Development Board will play a critical role in spearheading initiatives to build new partnerships and generate transformational gifts from philanthropic givers. The fundraising Development Board has a number of events planned.

We will also continue to promote the impact that leaving a gift in your Will and In Memory gifts play in funding our life-saving missions. Efforts will focus on legacy marketing, on improving communications and opportunities for supporters and their loved ones to become closer to our work and on the impact their gift will make.

Retail

Aligned with our new 5-year retail strategy, our focus remains on growth across all areas of our operation. Key initiatives include:

- **Expansion**: We are committed to opening two new shops in 2025/26 together with expanding our ecommerce division.
- **Donation Centre Development**: We will invest in our Stevenage Donation Centre to create a new room for our eBay team and improve storage space.

- **High-Value Items**: We aim to trade more pre-loved furniture and larger price point items.
- **Shop Development**: We will seek premises that allow us to explore a wider range of trading options and move towards establishing our first EHAAT superstore.
- **Ecommerce**: We will be enhancing our commercial operations, focusing our growth on platforms such as eBay and Vinted to boost the visibility and sales of goods kindly donated by our supporters. To support the growth potential in this area we will be appointing a Retail Commercial Director.

Communications

Our communications team is actively exploring new opportunities to boost traffic and engagement through our website, with a focus on increasing donations, attracting new lottery players and promoting gifts in Wills. Social media is key to connecting with our supporters, and we are looking at ways to increase engagement across Facebook, Instagram and TikTok.

We will continue to explore PR and media opportunities to raise awareness of all aspects of our vital work including our Patient and Family Liaison support team, our Centre for Excellence, and our need for ongoing support from the people of Essex and Hertfordshire to fund our life-saving mission.

f) Development of Key Partnerships and Relationships

We continue to work in partnership with EEAST and together with EAAA, MAGPAS Air Ambulance sit on the Air Ambulance and Ambulance Service Strategic Committee.

Our close working relationship with our colleagues at Anglia Ruskin University continues and includes working to help secure joint funding for research projects.

AAUK have refocused their work to bring the wider UK Air Ambulance communities together and are carrying out a governance and strategy review with a view to setting a new strategic direction.

We continue to welcome a number of cross-party MP's and community leaders, engaging them in our work.

g) Principal Risks and Uncertainties

The Trust operates a bespoke risk management software system. The Trustees have a risk management approach that comprises:

- An ongoing review of the risks the Charity may face, with risks being entered onto a risk register. The Executive Team regularly reviews risk. The register is discussed at least once a year at board meetings and at every Audit & Risk Committee meeting.
- The maintenance of systems and procedures to mitigate risks
- The implementation of procedures designed to minimise any potential impact on the Trust should risks materialise
- The use of a risk management system for all clinical occurrences, which is reviewed by the Clinical Risk and Safety Committee.

The Trustees consider that the most significant risks to the Charity are financial and operational risks associated with a cyber-attack, reputational risk resulting from adverse publicity for the Charity or the charity sector in general (which impacts our ability to raise funds) and the inability of our aviation service provider to provide us with the services specified in our contact.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Trustees' Responsibilities in Relation to the Financial Statements

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company and the 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 Trust and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and the group, and hence taking reasonable steps for theprevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditors are unaware
- As the Trustees of the Charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of the information

Auditors

A resolution will be considered to reappoint Crowe UK LLP as auditors to the Trust for the ensuing year.

Approved by order of the members of the Board of Trustees on 20/11/25 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST

Opinion

We have audited the financial statements of Essex & Herts Air Ambulance Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

Other information

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 an understanding of the legal and regulatory frameworks within which the company 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, Charities Act 2011 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Weekes (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Medway Bridge House

1-8 Fairmeadow

Maidstone

Kent

ME14 1JP

Date: 1 December 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	4	**31,180**	**4,936,473**	**4,967,653**	*7,468,980*
Charitable activities	5	**35,211**	**81,524**	**116,735**	*64,765*
Other trading activities	6	**2,000**	**10,936,632**	**10,938,632**	*10,977,287*
Investments	7	**-**	**879,726**	**879,726**	*1,013,787*
Total income		**68,391**	**16,834,355**	**16,902,746**	*19,524,819*
Expenditure on:					
Raising funds		**90**	**6,183,273**	**6,183,363**	*5,790,578*
Charitable activities		**32,831**	**12,051,698**	**12,084,529**	*9,953,126*
Total expenditure		**32,921**	**18,234,971**	**18,267,892**	*15,743,704*
Operating surplus		**35,470**	**(1,400,616)**	**(1,365,146)**	*3,781,115*
Net (losses)/gains on investments	18	**-**	**(782,609)**	**(782,609)**	*2,102,393*
Net income/(expenditure)		**35,470**	**(2,183,225)**	**(2,147,755)**	*5,883,508*
Transfers between funds	18	**(26,307)**	**26,307**		-
Net movement in funds		**9,163**	**(2,156,918)**	**(2,147,755)**	*5,883,508*
Reconciliation of funds:					
Total funds brought forward		**9,893**	**52,755,230**	**52,765,123**	*46,881,615*
Net movement in funds		**9,163**	**(2,156,918)**	**(2,147,755)**	*5,883,508*
Total funds carried forward		**19,056**	**50,598,312**	**50,617,368**	*52,765,123*

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 51 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		*2024 £*
Fixed assets					
Tangible assets	13		**17,963,565**		*18,827,405*
Investments	14		**31,861,500**		*31,915,858*
			49,825,065		*50,743,263*
Current assets					
Stocks	15	**23,216**		*14,570*	
Debtors	16	**1,471,610**		*1,585,365*	
Cash at bank and in hand		**2,425,475**		*3,449,241*	
		3,920,301		*5,049,176*	
Current liabilities					
Creditors: amounts falling due within one year	17	**(3,127,998)**		*(3,027,316)*	
Net current assets			**792,303**		*2,021,860*
Total net assets			**50,617,368**		*52,765,123*
Charity funds					
Restricted funds	18		**19,056**		*9,893*
Unrestricted funds	18		**50,598,312**		*52,755,230*
Total funds			**50,617,368**		*52,765,123*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 20 November 2025 and signed on their behalf by:

The notes on pages 28 to 51 form part of these financial statements.

Jonathan Trowa

JONATHAN TROWA
TRUSTEE

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

COMPANY BALANCE SHEET
AS AT 31 MARCH 2025

	Note		2025 £		*2024 £*
Fixed assets					
Tangible assets	13		**17,963,565**		*18,827,405*
Investments	14		**31,861,504**		*31,915,862*
			49,825,069		*50,743,267*
Current assets					
Stocks	15	**23,216**		*14,570*	
Debtors	16	**2,703,167**		*3,246,285*	
Cash at bank and in hand		**779,675**		*1,150,648*	
		3,506,058		*4,411,503*	
Current liabilities					
Creditors: amounts falling due within one year	17	**(2,713,759)**		*(2,389,647)*	
Net current assets			**792,299**		*2,021,856*
Total net assets			**50,617,368**		*52,765,123*
Charity funds					
Restricted funds	18		**19,056**		*9,893*
Unrestricted funds	18		**50,598,312**		*52,755,230*
Total funds			**50,617,368**		*52,765,123*

The Company's net movement in funds for the year was £(2,147,755) *(2024 - £5,883,508).*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 20 November 2025 and signed on their behalf by:

Jonathan Trower

JONATHAN TROWER
TRUSTEE

The notes on pages 28 to 51 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash generated in operating activities	**(533,138)**	*(4,809,054)*
Cash flows from investing activities		
Dividends, interests and rents from investments	**879,726**	*1,013,791*
Proceeds from the sale of tangible fixed assets	**39,700**	*16,987*
Purchase of tangible assets	**(412,568)**	*(366,255)*
Proceeds from sale of investments	**7,878,397**	*14,632,181*
Purchase of investments	**(8,875,883)**	*(10,939,712)*
Net cash (used in)/provided by investing activities	**(490,628)**	**4,356,992**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(1,023,766)**	**(452,062)**
Cash and cash equivalents at the beginning of the year	**3,449,241**	*3,901,303*
Cash and cash equivalents at the end of the year	**2,425,475**	*3,449,241*

The notes on pages 28 to 51 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Essex and Herts Air Ambulance Trust is a company limited by guarantee (registered number 05397840) which is incorporated and domiciled in England. It is also registered as a charity with the Charity Commission (registered number 1108989). The address of the registered office is The Business Centre, Earls Colne Business Park, Earls Colne Colchester, Essex, CO6 2NS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the going concern assertion by assessing the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2. Accounting policies (continued)

2.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset being transferred to the charity. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Goods donated for resale are included in the accounts when the items are sold.

The Charity receives grants in respect of furthering its charitable activities. Income from grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2. Accounting policies (continued)

2.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations, costs of trading activities and the running of fundraising events during the reporting period; and
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Salary costs are attributed to projects based on direct salary costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources. All costs were allocated on the basis of staff time, with the exception of property costs which were allocated by areas used.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities upon the completion of the relevant performance-related conditions. Other grants that are not subject to performance-related conditions are credited to the Consolidated statement of financial activities as the grant proceeds are received. Grants received prior to the revenue recognition criteria being satisfied are recognised as a liability.

2.5 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	- 25 % straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Short-term leasehold property	- Straight line over the length of the lease
Helicopter	- 20 years straight line
Motor vehicles	- 2-4 years straight line
Fixtures and fittings and computer equipment	- 2-8 years straight line
Clinical equipment	- 3-4 years straight line

2.8 Investments

The investments held by the charity are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The statement of financial activities includes the net gains and losses on revaluation and disposals throughout the year.

Current asset investments are short term deposits and are held at face value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

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

2. Accounting policies (continued)

2.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

The following judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements:

Critical accounting estimates and assumptions:

- Depreciation rates for tangible fixed assets - The Trustees annually assess both the residual value of these assets and the expected useful life of such assets which is currently judged to be up to 20 years, based on experience.

Critical areas of judgment:

- Income recognition of legacies and grants - Management judgements are required to estimate a suitable amount of legacy income to accrue at the reporting date. The amount is calculated based on the conditions set out in the Charity SORP (FRS 102).

4. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Donations	31,180	2,026,092	**2,057,272**
Legacies	-	1,956,919	**1,956,919**
In-memoria	-	285,638	**285,638**
Collection Tins	-	80,256	**80,256**
Donated services	-	587,568	**587,568**
	31,180	4,936,473	**4,967,653**

	Restricted funds 2024 £	*Unrestricted funds 2024 £*	*Total funds 2024 £*
Donations	*82,086*	*1,878,480*	*1,960,566*
Legacies	*17,551*	*4,565,350*	*4,582,901*
In-memoria	-	*296,230*	*296,230*
Collection Tins	-	*87,939*	*87,939*
Donated services	-	*541,344*	*541,344*
	99,637	*7,369,343*	*7,468,980*

5. Income from charitable activities

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Grant-making trusts	35,211	81,524	**116,735**

5. Income from charitable activities (continued)

	Restricted funds 2024 £	*Unrestricted funds 2024* £	*Total funds 2024* £
Grant-making trusts	*17,424*	*47,341*	*64,765*

6. Income from other trading activities

Income from non charitable trading activities

	Restricted funds 2025 £	**Unrestricted funds 2025** £	**Total funds 2025** £
Income from lottery	-	9,167,616	**9,167,616**
Fundraising events	-	151,423	**151,423**
Merchandise sales	-	35,158	**35,158**
Charity shop income	-	1,576,825	**1,576,825**
Other	2,000	5,610	**7,610**
	2,000	10,936,632	**10,938,632**

	Restricted funds 2024 £	*Unrestricted funds 2024* £	*Total funds 2024* £
Income from lottery	-	*9,437,037*	*9,437,037*
Fundraising events	*14,000*	*128,524*	*142,524*
Merchandise sales	-	*32,214*	*32,214*
Charity shop income	-	*1,363,962*	*1,363,962*
Other	-	*1,550*	*1,550*
	14,000	*10,963,287*	*10,977,287*

7. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Dividends	850,121	**850,121**
Interest	29,605	**29,605**
	879,726	**879,726**

	Unrestricted funds 2024 £	*Total funds 2024 £*
Dividends	*1,012,185*	*1,012,185*
Interest	*1,602*	*1,602*
	1,013,787	*1,013,787*

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Helicopter Emergency Medical Service	11,269,331	815,198	**12,084,529**

	Activities undertaken directly 2024 £	*Support costs 2024 £*	*Total funds 2024 £*
Helicopter Emergency Medical Service	*8,992,274*	*960,852*	*9,953,126*

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2025 £	*Total funds 2024 £*
Depreciation	**1,190,699**	*752,727*
Helicopter and Rapid Response Vehicle	**5,810,912**	*4,482,871*
Clinical costs	**3,063,085**	*2,895,080*
Airbase premises costs	**391,120**	*408,648*
Centre for Excellence	**813,515**	*452,948*
Total 2025	**11,269,331**	*8,992,274*

Analysis of support costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs	**684,610**	*719,091*
Operations and support costs	**88,916**	*88,690*
Other employment costs	**4,999**	*104,334*
Governance costs	**36,673**	*48,737*
	815,198	*960,852*

9. Governance costs

	2025 £	*2024 £*
Auditors' remuneration	**32,000**	*30,000*
Trustees meetings	**555**	*2,062*
Trustee indemnity insurance	**2,500**	*1,743*
Legal, consultancy and other fees	**35,731**	*24,659*

10. Staff costs

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Wages and salaries	**3,774,463**	*3,085,439*	**3,774,463**	*3,085,439*
Social security costs	**362,149**	*303,198*	**362,149**	*303,198*
Contribution to defined contribution pension schemes	**190,471**	*185,059*	**190,471**	*185,059*
	4,327,083	*3,573,696*	**4,327,083**	*3,573,696*

The average number of persons employed by the Company during the year was as follows:

	Group 2025 No.	*Group 2024 No.*
Charitable activities	**18**	*16*
Raising funds	**37**	*34*
Lottery	**3**	*3*
Retail	**35**	*28*
	93	*81*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	*Group 2024 No.*
In the band £60,001 - £70,000	**6**	*4*
In the band £90,001 - £100,000	**1**	*1*
In the band £100,001 - £110,000	**1**	*1*
In the band £120,001 - £130,000	**1**	-
In the band £130,001 - £140,000	**1**	*1*

The total amount of employee benefits received by key management personnel is £775,212 (2024 - £560,809). The charity considers its key management personnel to be the Executive Team as listed in the charity information page.

There was an amount due at the year end to one member of Key Management Personnel of £65,453 (2024 - £17,500).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL).*

During the year ended 31 March 2025, Trustee expenses of £nil *(2024* - £656) have been incurred.

12. Intangible assets

Group and Company

	Computer software £
Cost	
At 1 April 2024	**115,893**
At 31 March 2025	**115,893**
Amortisation	
At 1 April 2024	**115,893**
At 31 March 2025	**115,893**
Net book value	
At 31 March 2025	-
At 31 March 2024	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

13. Tangible fixed assets

Group and Company

	Short-term leasehold property £	Helicopters £	Motor vehicles £	Fixtures and fittings £	Clinical equipment £	Total £
Cost or valuation						
At 1 April 2024	**5,886,607**	**15,780,245**	**493,136**	**713,858**	**743,226**	**23,617,072**
Additions	**-**	**-**	**115,645**	**145,940**	**150,983**	**412,568**
Disposals	**-**	**-**	**(108,616)**	**-**	**-**	**(108,616)**
At 31 March 2025	**5,886,607**	**15,780,245**	**500,165**	**859,798**	**894,209**	**23,921,024**
Depreciation						
At 1 April 2024	**1,118,959**	**2,335,370**	**333,568**	**448,586**	**553,184**	**4,789,667**
Charge for the year	**269,784**	**717,553**	**107,219**	**125,220**	**55,536**	**1,275,312**
On disposals	**-**	**-**	**(107,520)**	**-**	**-**	**(107,520)**
At 31 March 2025	**1,388,743**	**3,052,923**	**333,267**	**573,806**	**608,720**	**5,957,459**
Net book value						
At 31 March 2025	**4,497,864**	**12,727,322**	**166,898**	**285,992**	**285,489**	**17,963,565**
At 31 March 2024	*4,767,648*	*13,444,875*	*159,568*	*265,272*	*190,042*	*18,827,405*

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2024	**31,915,858**
Additions	**8,875,883**
Disposals	**(7,878,397)**
Revaluations	**(917,627)**
Management fees	**(134,217)**
At 31 March 2025	**31,861,500**
Net book value	
At 31 March 2025	**31,861,500**
At 31 March 2024	*31,915,858*

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2024	**4**	**31,915,858**	**31,915,862**
Additions	**-**	**8,875,883**	**8,875,883**
Disposals	**-**	**(7,878,397)**	**(7,878,397)**
Revaluations	**-**	**(917,627)**	**(917,627)**
Management fees	**-**	**(134,217)**	**(134,217)**
At 31 March 2025	**4**	**31,861,500**	**31,861,504**
Net book value			
At 31 March 2025	**4**	**31,861,500**	**31,861,504**
At 31 March 2024	*4*	*31,915,858*	*31,915,862*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

15. Stocks

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Finished goods and goods for resale	**23,216**	*14,570*	**23,216**	*14,570*

16. Debtors

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Due within one year				
Trade debtors	**6,416**	*7,063*	**6,400**	*7,041*
Amounts owed by group undertakings	**-**	*-*	**1,232,362**	*1,689,266*
Other debtors	**838**	*688*	**660**	*510*
Prepayments and accrued income	**751,996**	*594,005*	**750,056**	*565,859*
Tax recoverable	**125,607**	*145,351*	**126,936**	*145,351*
Legacy Debtor	**586,753**	*838,258*	**586,753**	*838,258*
	1,471,610	*1,585,365*	**2,703,167**	*3,246,285*

17. Creditors: Amounts falling due within one year

	Group 2025 £	*Group 2024 £*	Company 2025 £	*Company 2024 £*
Trade creditors	**476,979**	*466,622*	**473,409**	*453,935*
Amounts owed to group undertakings	**-**	*-*	**191,159**	*-*
Other taxation and social security	**109,238**	*94,784*	**109,238**	*94,784*
Other creditors	**593,763**	*590,630*	**33,930**	*24,233*
Accruals and deferred income	**1,948,018**	*1,875,280*	**1,906,023**	*1,816,695*
	3,127,998	*3,027,316*	**2,713,759**	*2,389,647*

	Group 2025 £	*Group 2024 £*
Deferred income at 1 April 2024	**538,749**	*516,360*
Resources deferred during the year	**559,832**	*538,749*
Amounts released from previous periods	**(538,749)**	*(516,360)*
	559,832	*538,749*

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Fixed asset fund	18,827,404	-	(1,275,312)	411,474	-	17,963,566
Centre For Excellence	409,531	-	(409,531)	-	-	-
Designation for expendable endowment	5,000,000	-	-	-	-	5,000,000
	24,236,935	-	(1,684,843)	411,474	-	22,963,566
General funds						
General Funds	28,518,295	16,834,355	(16,550,128)	(385,167)	(782,609)	27,634,746
Total Unrestricted funds	52,755,230	16,834,355	(18,234,971)	26,307	(782,609)	50,598,312
Restricted funds						
Restricted Fund	9,893	68,391	(32,921)	(26,307)	-	19,056
Total of funds	52,765,123	16,902,746	(18,267,892)	-	(782,609)	50,617,368

18. Statement of funds (continued)

£1m has been designated for expenditure on our Centre for Excellence initiative less expenditure incurred in the current year.

The restricted funds of £19,056 (2024 - £9,893) represent funds received from donors for the purchase clinical equipment and for the purchase of aviation equipment related to flying at night.

EHAAT operates in a high-risk environment using cutting edge procedures and technologies in order to move and act fast to save lives. Without regular and continued support our service simply could not run. As part of a plan to commit to the long term sustainability of the charity, the Trust is currently in the process of creating a separate expendable endowment fund using a formal trust deed. £5m has been designated in anticipation of the creation of this fund. This is with the intention the fund will be separately invested for the long term to deliver a stream of investment income to support our services for generations to come.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2024* £
Unrestricted funds						
Designated funds						
Fixed asset fund	*19,306,918*	-	*(845,768)*	*366,254*	-	*18,827,404*
Centre For Excellence	*862,179*	-	*(452,648)*	-	-	*409,531*
Designation for expendable endowment	*5,000,000*	-	-	-	-	*5,000,000*
	25,169,097	-	*(1,298,416)*	*366,254*	-	*24,236,935*
General funds						
General Funds	*21,667,086*	*19,393,758*	*(14,419,112)*	*(225,830)*	*2,102,393*	*28,518,295*
Total Unrestricted funds	*46,836,183*	*19,393,758*	*(15,717,528)*	*140,424*	*2,102,393*	*52,755,230*
Restricted funds						
Restricted Fund	*45,432*	*131,061*	*(26,176)*	*(140,424)*	-	*9,893*
Total of funds	*46,881,615*	*19,524,819*	*(15,743,704)*	-	*2,102,393*	*52,765,123*

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	17,963,565	**17,963,565**
Fixed asset investments	-	31,861,500	**31,861,500**
Current assets	19,056	3,901,245	**3,920,301**
Creditors due within one year	-	(3,127,998)	**(3,127,998)**
Total	19,056	50,598,312	**50,617,368**

Analysis of net assets between funds - prior year

	Restricted funds 2024 £	*Unrestricted funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	-	*18,827,405*	*18,827,405*
Fixed asset investments	-	*31,915,858*	*31,915,858*
Current assets	*9,893*	*5,039,283*	*5,049,176*
Creditors due within one year	-	*(3,027,316)*	*(3,027,316)*
Total	*9,893*	*52,755,230*	*52,765,123*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	*Group 2024 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(2,147,755)**	*5,883,508*
Adjustments for:		
Depreciation and amortisation charges	**1,275,312**	*845,768*
Losses/(gains) on investments	**1,051,844**	*(3,171,152)*
Dividends, interests and rents from investments	**(879,726)**	*(1,013,791)*
Loss/(profit) on the sale of fixed assets	**(38,604)**	*(16,987)*
Decrease/(increase) in stocks	**(8,646)**	*2,239*
Decrease in debtors	**113,755**	*386,280*
Increase/(decrease) in creditors	**100,682**	*(7,724,919)*
Net cash used in operating activities	**(533,138)**	*(4,809,054)*

21. Analysis of cash and cash equivalents

	Group 2025 £	*Group 2024 £*
Cash in hand	**2,425,475**	*3,449,241*
Total cash and cash equivalents	**2,425,475**	*3,449,241*

22. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**3,449,241**	**(1,023,766)**	**2,425,475**
	3,449,241	**(1,023,766)**	**2,425,475**

23. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £190,471 (2024 - £185,059). Contributions totalling £39,147 (2024 - £29,436) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Land and buildings				
Not later than 1 year	**444,547**	*423,372*	**444,547**	*423,372*
Later than 1 year and not later than 5 years	**1,430,841**	*1,033,297*	**1,430,841**	*1,033,297*
Later than 5 years	**3,787,974**	*2,795,221*	**3,787,974**	*2,795,221*
	5,663,362	*4,251,890*	**5,663,362**	*4,251,890*

The charity has ongoing financial commitments in relation to pilotage and maintenance of its helicopters which are disclosed in note 25 but these do not constitute lease commitments.

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Company 2025 £	*Company 2024 £*
Land and building lease costs	**451,930**	*394,693*
Helicopter operating costs	**4,257,390**	*3,199,006*

25. Other financial commitments - helicopter operating costs

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Not later than 1 year	-	*4,079,890*	**2,801,104**	*4,079,890*
Later than 5 years	-	*1,400,552*	-	*1,400,552*
	-	*5,480,442*	**2,801,104**	*5,480,442*

26. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

D Hayward is a Trustee of the Charity and is also a partner in a firm of solicitors, Nockolds. During the year the Charity purchased legal services from Nockolds, amounting to £19,791 including VAT (2024 - £18,894). There was £nil outstanding at the year end (2024 - £14,596).

During the year, the Trust received gift aid payments totalling £85,325 (2024 - £42,674) from Essex and Herts Air Ambulance Trading Limited. As at 31 March 2025, an amount was owed to the Trust of £282,282 (2024 - £537,582).

During the year, the Trust received gift aid payments totalling £7,670,531 (2024 - £7,910,620) from Essex and Herts Flight For Life Lottery Limited. As at 31 March 2025, an amount was owed to the Trust of £760,153 (2024 - £1,151,597).

Other than the above and the transactions identified within Note 11, there have been no other related party transactions.

27. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Essex and Herts Flight For Life Lottery Limited	04269794	Same as parent company - see company information page	Ordinary	100%
Essex & Herts Air Ambulance Trading Limited	03739217	Same as parent company	Ordinary	100%
*Essex & Herts Flight For Life Lottery Operations Limited	11995048	Same as parent company	Ordinary	100%
*Essex & Herts Flight For Life Lottery Critical Care Limited	11995133	Same as parent company	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Essex and Herts Flight For Life Lottery Limited	**9,184,564**	**1,514,033**	**7,670,531**	**2**
Essex & Herts Air Ambulance Trading Limited	**101,294**	**15,969**	**85,325**	**2**
*Essex & Herts Flight For Life Lottery Operations Limited	**-**	**-**	**-**	**2**
*Essex & Herts Flight For Life Lottery Critical Care Limited	**-**	**-**	**-**	**2**

*indirect subsidiaries

ESSEX & HERTS AIR AMBULANCE TRUST

England & Wales - Charity number 1108989

Accounts

Registered number: 05397840
Charity number: 1108989

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THURSDAY
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A32 19/12/2024 #87
COMPANIES HOUSE

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

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ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Jonathan Trower, Chairman Darren Hayward Annalisa Ridsdill Smith (Retired 20/03/24) Dr Ramzi Freij Clive Gilham Roy Marfleet Claire Smith Andrew Tunningley Ellisa Estrin Michelle Tennens
Company registered number	05397840
Charity registered number	1108989
Registered office	Flight House, The Business Centre, Earls Colne Business Park Earls Colne Colchester Essex CO6 2NS
Website address	www.ehaat.org
Company secretary	Brenda Playford
Executive Team	Jane Gurney – Chief Executive Officer Dr Gareth Davies – Senior Medical Advisor (appointed 12/06/23) Dr Tony Joy – Medical Director Pam Withrington – Fundraising and Marketing Director Jonathan Ager – Finance Director Paul Curtis – Aviation & Operations Director (until 26/03/24) Lindsey Tuley – People & Workplace Director (appointed 04/10/23)
Independent auditor	Crowe U.K. LLP Riverside House 40 - 46 High Street Maidstone Kent ME14 1JH
Bankers	Barclays Bank Plc 40 High Street Chelmsford Essex CM1 1 BE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Solicitors	Nockolds LLP Market Square Bishop's Stortford CM23 3UZ
Investment manager	LGT Wealth Management 14 Cornhill London EC3V 3NR

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

Chairman's Introduction

I am pleased to report that the Charity had a very successful year to 31st March 2024, during the course of which much was achieved and several challenges met.

Firstly, and most importantly, we continued to provide our first-class, free-of-charge, pre-hospital emergency medical service across Essex and Hertfordshire. Our services were as much in demand as they ever have been, as the following table demonstrates.

	2024	2023
Medical Emergency	1,088	1,040
Road Traffic Collision	547	573
Other Trauma	835	859
Other Mission Types	165	144
Total	2,635	2,616

During the year we continued with our initiative to create a Centre for Excellence. As described in last year's report, our vision is to build a leading research and education centre through which improvements in pre-hospital care are developed in order to achieve the best outcomes for people in our region and beyond. We have made several key appointments during the year and have embarked on a number of exciting projects. These include research into the use of virtual reality technology in the pre-hospital environment, a schools CPR Champion programme and research into pre-hospital head injury care , the last of which, has seen little change in outcomes over the last 30 years. We are also focusing on how we can translate the activity of the Centre for Excellence into our operational work for the benefit of our patients across Essex and Hertfordshire.

In December 2023, along with three other Air Ambulances, we were made aware that Specialist Aviation Services Ltd (SAS), who supply and maintain our aircraft together with providing the pilots and co-pilots, were at imminent risk of going into Administration but that negotiations were under way to sell the business to GAMA Aviation Plc. An already complex situation was compounded by the fact that the second aircraft we had ordered through SAS in May 2022 was due to be delivered in January 2024 ready for its medical fit out, also to be undertaken by SAS. I am pleased to report that ultimately negotiations proved successful and, having considered all options available to us, we novated our existing contracts with SAS across to GAMA upon their acquisition of the SAS business. This included those for the supply and fit out of the new aircraft, which has now been operational from June 2024. I am pleased to note the possibility of a key aviation supplier going into administration had formed part of our risk register which meant that we were as prepared as we could be to deal with such an event.

Our new contract with GAMA allows us to continue with our strategy of ultimately operating under our own Air Operators Certificate (AOC). This will mean that in the future we will have greater control and be less exposed to changes in the market place such as we experienced with SAS. We have employed the services of an experienced consultant to guide us through the process of obtaining an AOC and anticipate this to be in place by 2026.

The Charity embarked on a joint initiative with two other local air ambulance charities to appoint a Regional Helipad Champion whose objective is to improve the availability of night hospital helipads in the region. There are currently no Major Trauma Centres that can be accessed by helicopter at night within Essex and Hertfordshire. Furthermore the current number of hospital helipads that can be used at night within the region is very limited. The Charity wishes to improve this position, ensuring our patients have access to the same network of hospitals by day or night.

Unfortunately, our fundraising has been impacted by the cost of living crisis through lower levels of individual donations coupled with a slowdown in sign-ups to our Flight for Life Lottery, our biggest single source of income. Despite this difficult economic environment, I am pleased to note that we have seen a turnaround in our retail business with operational changes resulting in sales increasing by 43.4% over the previous year. We will seek to build on this success and look for suitable retail premises in the region to continue to open more charity shops.

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

As well as being a direct source of income for the Charity, the shops help to increase awareness of the Charity and its work throughout the region.

I am pleased to report that EHAAT yet again demonstrated its financial resilience during the year, culminating in an Operating Surplus of £3.8m and overall reserves of £52.8m at the year end. Our Operating Surplus benefited from one exceptional legacy of £2.1m whilst our investment portfolio also saw uncrystalised gains of £2.1m, further boosting our reported retained reserves. Our reserves comprise both restricted reserves and unrestricted reserves. Unrestricted reserves are available to be spent on any of the Charity's purposes. Unrestricted reserves include both free reserves and reserves designated for purposes such as the set-up costs for the Centre for Excellence. Due to the life-saving nature of our work, the Trustees take a cautious approach with regards to reserves, as closure of the service would be potentially catastrophic to the public we serve. Our Reserves Policy is to hold between 12 and 24 months of free reserves to safeguard the operation of our service for a prolonged period of time should our income fail as a consequence of an unexpected eventuality. At the year end, sufficient free reserves were held to fund 18 months of forecast expenditure,. The reserves policy is reviewed annually by the Trustees to ensure that any new or changed legislation or guidance is incorporated and to consider any changes in the circumstances of the Charity.

Our financial results demonstrate that we continue to be well supported by the people of Essex and Hertfordshire and in spite of difficult economic environment that we have continued to pursue our strategy of owning and controlling all of our important assets, seeking our own AOC in the medium term whilst also investing in our Centre for Excellence. We have proved yet again our ability to weather external difficulties, such as the financial collapse of a significant supplier. However, we take nothing for granted and we know that we must continue to earn the loyalalty of our supporters by the work that is undertaken by our Executive Team and our staff every day of the year.

Therefore, finally, I would like to thank the Executive Team, all of our staff and our volunteers for their hard work and dedication, and to thank my fellow Trustees for their service and support. A special thank you goes to Anni Ridsdill Smith who retired as a Trustee after almost 13 years on the Board. Her experience and valued knowledge of the Charity is not being lost to us however, as she will join our Development Board in order to assist with the growth of our philanthropic giving programme.

Jonathan Trower
Chairman
Date: 29/11/24

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Within the Trustees' Report is the Strategic Report, required under Section 414c(11) of the Companies Act 2011.

1. Structure, Governance and Management

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the Group for the year ended 31 March 2024. The Board confirms that the Trustees' Report and financial statements of the Group comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in July 2014 (FRS102 SORP 2015).

a) Governing Document

Essex & Herts Air Ambulance Trust (EHAAT or the Charity) is a company limited by guarantee and was incorporated on 18th March 2005. It is governed by its Articles of Association, which were last amended on 22 March 2018. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Member (the members being the Trustees).

b) Appointment of Trustees

Trustees are selected by reference to a matrix of skills and experience that has been established to ensure that the Charity's objectives can be met. The matrix includes clinical, budgeting and finance, legal, fundraising, marketing, commercial sales, public relations, IT, HR management, community and voluntary sector expertise, risk and strategic planning.

New Trustees are given an induction pack at an orientation meeting to brief them on both the Charity and their legal obligations under charity and company law. It includes the Articles of Association, a Duties of Charity Trustees booklet, and strategic and business plans. We also arrange for them to meet the CEO, Executive Team and the wider staff spending a day at the head office. Trustees are given specific Charity information as well as external training.

There is currently no upper limit to the time that an individual can be a Trustee, but one-third of all Trustees are required to retire by rotation each year and, if willing to continue, offer themselves for re-election.

c) Values

Our actions are guided by our values – **passionate** in going the extra mile; **professional** in treating everyone as they would wish to be treated; **innovative** in driving forward best clinical practice; **trustworthy** in working openly and honestly; **dedicated** because we care about the cause, our patients and each other; and **inclusive** in treating everyone in the way which we ourselves would like to be treated.

d) Organisation

The Board of Trustees which governs the Charity can have up to twelve members — there were ten throughout the financial year until 20th March 2024 since when there are nine Trustees with a quorum requirement of five at all meetings. The Board met five times during the period under review. The Trustees delegate the day-to-day management of the Charity to an Executive Team by means of a formal Scheme of Delegation. Committees comprised of both Trustees and Executive Team members are established where necessary to advise the Board on various strategic matters. There were five in operation during this financial year and they are listed below.

Committee/Group	Trustees
Investment Advisory Committee	Andrew Tunningley (Chair), Jonathan Trower, Clive Gilham
Audit and Risk Committee	Clive Gilham (Chair), Andrew Tunningley, Michelle Tennens
Nominations Committee	Darren Hayward (Chair), Jonathan Trower, Claire Smith (Replacing Annalisa Ridsdill Smith)
Retail Advisory Committee	Claire Smith (Chair), Roy Marfleet
Clinical Committee	Ramzi Freij (Chair), Jonathan Trower, Ellisa Estrin

e) Pay policy for senior staff

The Trustees consider that the Board of Trustees and the Executive Team (as detailed on page 1) comprise the key management personnel of the Charity. Trustees are not remunerated. The pay, related policies and annual remuneration of the Chief Executive Officer are decided by the Trustees, whilst the pay for the remainder of the Executive Team is decided by the Chief Executive Officer after consultation with the Trustees.

When setting remuneration levels, the Charity aims to strike a balance between market-appropriate pay, the need to attract and retain people with the required skills and our donors' expectations that the money which they entrust us with will be used wisely to provide a first-class helicopter emergency medical service.

It is central to achieving our objectives that the Charity can attract and retain high-performing senior leadership. Remuneration may vary depending on the job type, its complexity and the range of activities undertaken. It is validated objectively using market comparators such as salary survey data from charitable, private and public sectors as required. Independent advice from suitable third-party professionals is also sought where deemed to be necessary, coupled with benchmarking against comparable Air Ambulance charities and other third sector organisations.

We are committed to fairness in our remuneration practices and follow these guiding principles:

- Proportionality – fairness and consistency in line with appropriate benchmarks
- Rewarding Performance – ensuring an individual's remuneration is commensurate to their performance and personal contribution to the Charity
- Recruitment and Retention – enabling us to attract and retain valued staff
- Expertise and Experience – ensuring it is appropriate for the role
- Transparency – openness and clear communication about the process undertaken when setting remuneration levels across the organisation

f) Structure

The Charity has four wholly owned subsidiaries: Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited. The principal purpose of the first three subsidiaries is to operate weekly lotteries together with raffles and that of the fourth is to conduct the Charity's trading activities. The profits of all companies are donated to the Charity under a Deed of Covenant. Following a change in legislation the lottery and raffles now operate under a single licence held by Essex & Herts Flight for Life Lottery Limited. This means that Essex & Herts Flight for Life Lottery Operations Limited and Essex & Herts Flight for Life Lottery Critical Care Limited ceased trading and have been dormant for the financial year.

g) Code of Governance

The Trustees look to promote good governance throughout the Charity, continuing to ensure we operate, where applicable, in line with best practice as set out in the Charity Code of Governance. Particular focus this year has been on Principle 6 – Equality, Diversity and Inclusion, where we undertook a workforce audit, introduced a new recruitment policy with the objective to remove unconscious bias from the process and embarked on Investors in People accreditation.

h) Related Parties

Trustees and members of the Executive Team are the people who can control or significantly influence our Charity, and so they disclose their interests in a register which is reviewed annually by the Board of Trustees as a whole. In addition, there are occasional transactions which directly involve individual Trustees, and when Trustees consider these arrangements, the relevant Trustee leaves the Board Meeting for such business. All such transactions which arose during this financial year are disclosed in this annual report within Note 26.

2. Objectives and Activities

a) Objectives

The objective of the Charity is to assist in relieving pain and sickness by the operation of a pre-hospital emergency medical service for the counties of Essex and Hertfordshire and surrounding areas. The service is provided mainly by helicopters with additional rapid response vehicles being used when necessary. The Charity may also perform such other charitable purposes for the relief of pain and sickness consistent with this objective as the Trustees shall determine at their discretion.

b) Public Benefit

The Trust provides a free of charge, pre-hospital emergency clinical service that assists people in our geographical area, and adjacent areas, with serious illness or injuries and helps save lives. In shaping the objectives of the Trust for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

c) Activities

Essex & Herts Air Ambulance, unlike the NHS emergency services, is a charity providing HEMS for the critically ill and injured of Essex, Hertfordshire and surrounding areas. Our fundraising activities are planned to optimise our income to fund this life-saving service and build the Charity's brand awareness. Transparency and good governance are recognised as being essential to maintain the trust and support of members of the public and their resulting financial generosity.

3. Strategic Report

Achievements and Performance

a) Operations

In March 2024, we took delivery of a new AW169 aircraft to replace our leased MD902 and operate from our Earls Colne base. Following delivery and before becoming operational, this aircraft underwent a 12-week medical fit-out to equip it with the same specialised medical equipment as our existing AW169 at North Weald. The aircraft was initially ordered through SAS in May 2022, with an expected delivery in early January 2024 and operational readiness by March 2024. However, SAS's financial difficulties and sale to Gama by way of a pre-packaged administration complicated the situation, prompting us to work diligently with all parties to secure the delivery of the aircraft without exposing the Charity to financial risk. The potential financial collapse of SAS had been on our risk register for several years and recently had been identified as the highest risk. Consequently we had prepared extensively for various possible outcomes in this regard.

SAS's financial difficulties could also have jeopardised the operation of our existing AW169 based at North Weald and our leased MD902 based at Earls Colne. However, as part of our transition plan to integrate a second AW169 into service, we had arranged for the early termination of the MD902 lease. A pre-existing agreement was in place to return the MD902 to SAS in December 2023, while we chartered another aircraft on a short-term basis from an alternative supplier, Sloane Helicopters Ltd. Therefore the risk to our Earls Colne operation was mitigated whilst we were able to move the contract to operate our existing AW169 to Gama thus also mitigating the risk to the continuity of our North Weald operation.

The new AW169 significantly enhances our operational capabilities. It is faster, has a higher payload capacity, and boasts greater fuel endurance compared to the MD902 it replaces. Both AW169 aircraft are maintained by Gama, which also supplies pilots and co-pilots. Our new contract with Gama is consistent with and supports our strategic plan to ultimately operate under our own Air Operator's Certificate (AOC), and we will collaborate with Gama on this pathway to AOC independence.

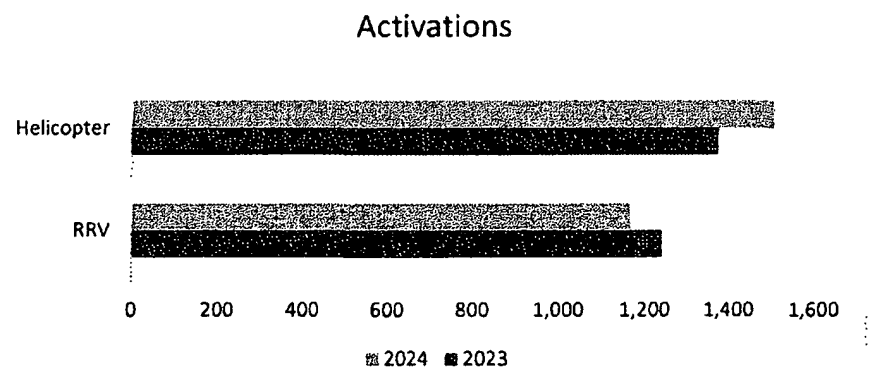
We continue to strengthen our partnerships with EEAST and the wider NHS through regular meetings and information sharing on best practices. This ensures EHAAT remains at the forefront of pre-hospital care delivery in the region. EHAAT also collaborates closely with other air ambulance charities. This year, we launched a joint initiative with two local air ambulance charities to appoint a Regional Helipad Champion. This role aims to improve the availability of night hospital helipads in the region. Currently, no Major Trauma Centres are accessible by helicopter at night within Essex and Hertfordshire. With such a limited number of hospital helipads available at night in our region, we are also addressing this issue with local MPs and nationally through AAUK.

EHAAT continue to operate four Volvo XC90s as RRVs, which go on-line when the helicopter shift time ends, when the weather is too bad to fly, or when the helicopters require servicing. This allows the teams to continue to respond to incidents in the region from our North Weald and Earls Colne bases when the helicopters are unavailable. Last year, EHAAT Teams responded to 1,166 incidents using the RRVs.

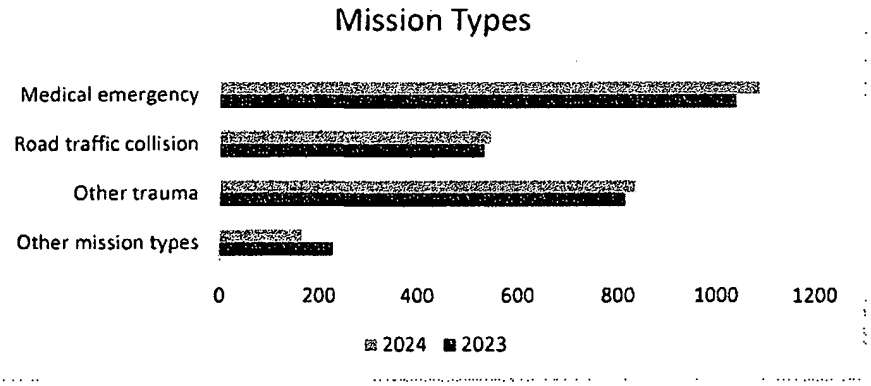
The EHAAT Critical Care Teams have seen another small increase in the total number of activations over the previous year as seen below, with an increase in helicopter activations but a small fall in RRV activations

Operational performance data provides the following results:

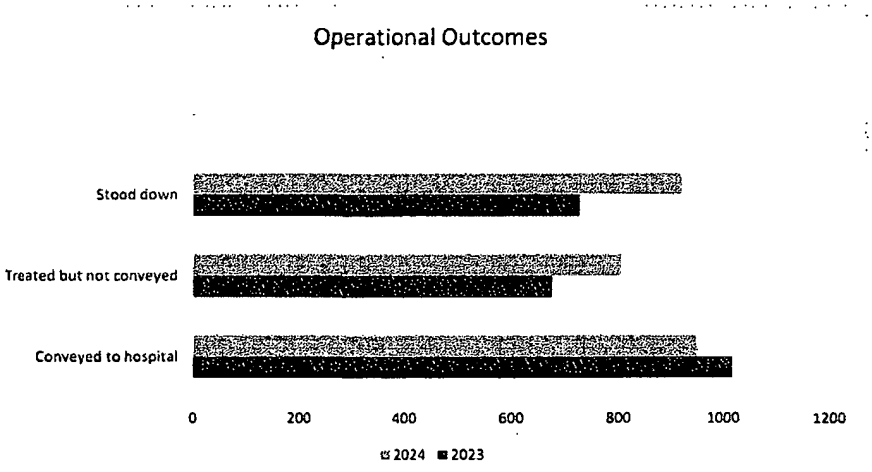
Activations



Mission types



Operational outcomes



b. Clinical

Clinical Leadership

In January 2024, Dr Tony Joy started substantively as Medical Director having worked an interim MD since June 2023 and prior to that as a Governance Lead & Consultant since 2017. He has also been a Consultant in Emergency Medicine at The Royal London Hospital since 2014. Dr Gareth Davies continues to support the senior clinical leadership team as Senior Medical Advisor. Both Dr Joy and Dr Davies have worked closely with the Charity for a number of years and bring much experience in clinical leadership and prehospital service development.

A new Clinical Steering Group was formed in late 2023 with a number of key new roles appointed to this clinical leadership group including internal appointments to both Clinical Delivery Lead and Clinical Lead positions.

The Clinical Steering Group meets monthly to oversee and shape the clinical strategy. Alongside this, the clinical leadership team has also introduced monthly Clinical Forum meetings which allow the whole clinical team to contribute and participate in clinical quality improvement and development. We have also created new Team Inset Days which take place eight times per year and allow the team to undertake a deep exploration of clinical topics to help ensure EHAAT maintains its place at the forefront of prehospital critical care provision.

In order to define key clinical workstreams, we have formed ten Special Interest Group which bring together experience and enthusiasm from within the clinical team to develop our practice in the following areas:

- Head Injury
- Cardiac Arrest
- Clinicopathological correlation
- Anaesthesia & analgesia
- Tasking & transfers
- Silver trauma & frailty
- Bleeding patients
- Paediatrics & obstetrics
- Clinical diagnostics
- Environmental illness

Clinical Service

Our function is to provide high quality critical care to our communities across Essex & Hertfordshire. Over the last twelve months we have been tasked to 2,673 missions, treating a total of 1,901 patients.

Our team take the hospital to the patient and are familiar with treating patients in all environments: roadsides, residential properties, remote rural locations, building sites, nightclubs, beaches and so on. Our patients are usually either critically injured or have suffered a severe medical event such as a cardiac arrest or other critical illness. The EHAAT doctor-paramedic team not only bring expert clinical leadership and enhanced decision-making to support our colleagues from the ambulance service (EEAST) but are also able to deliver medical interventions such as anaesthesia, emergency surgery to the chest, blood transfusion and many other advanced treatments normally only delivered by hospital specialists. With our helicopters and RRVs the team are able to provide cover 24 hours a day and also ensure that transport of patients to the right hospital can be facilitated in the most safe and timely way.

We have been working hard to collaborate with our hospital partners in the region. With two Major Trauma Centres (MTCs) in our region, and a specialist Cardio-Thoracic Centre at Basildon Hospital, it is essential that we work in partnership to ensure smooth transitions of care into the most appropriate receiving hospital. Where time-critical interventions are required, we work with our partners to ensure smooth and seamless clinical pathways for the patients that need it most. Examples of recent developments include gaining 24 hour access to Cambridge

University Hospital at Addenbrookes and access for specialist cardiac bypass treatment (ECMO) for certain patients at Harefield Hospital.

We continue to develop the service to ensure that our patients receive the most compassionate and expert care possible. In 2023 we introduced a 'bundle of care' for head-injured patients and introduced a number of new clinical interventions including the placement of arterial lines for invasive blood pressure monitoring for some critically ill or injured patients. This also incorporated new syringe driver devices that can continuously infuse specialist medications to provide organ support. Alongside this, we introduced new state-of-the-art ultrasound devices to support the diagnostic capability of our team.

We also continue to provide prehospital blood products to those with confirmed or clinically suspected haemorrhage who require a transfusion. A total of 82 patients have required a prehospital blood transfusion from EHAAT in the last year.

Clinical Team

Our clinical team has continued to grow as the service has developed across both bases and to provide 24 hour cover. Our clinical operation provides a pre-hospital care doctor and critical care paramedic on each shift. This year we completed highly competitive recruitment of both Critical Care Paramedics and Flight Doctors to the team. The Critical Care Paramedics are a core and essential element to the provision of care to our patient group. Seconded from EEAST for five years following a collaborative recruitment process, they are key in supporting and developing our service as well as providing continuity for the Flight Doctor cohort who are generally only with us for twelve month secondments. Our Flight Doctors secondments are filled until late 2026, with applicants from across the UK, Europe, North America and Australasia. Alongside the core Flight Doctor and Critical Care Paramedic roles, we also have a wider group of emeritus clinicians, Prehospital Care Consultants and managers that provide clinical supervision, training and service provision. EHAAT remains committed to the national Prehospital Emergency Medicine (PHEM) programme and we provide training to several PHEM trainees to support them in becoming the PHEM Consultants of the future.

As is essential for a healthcare organisation, we constantly review, monitor and learn from incidents through our Clinical Risk and Safety Committee. The Clinical Risk and Safety Committee (CRSC) has representatives from all areas of the clinical and operational departments. The committee meet monthly to discuss all reported incidents, which can include clinical, equipment and/or administrative issues. Through this process, we are able to identify trends or themes to promote our safety culture. Output and recommendations are then published via our safety management system, Radar, and we are able to ensure that learning and education is delivered which in turn maintains and improves the safety of our clinical operation

Centre for Excellence

The development of the Centre for Excellence has continued throughout 2023/24 with several new roles established. Across the three areas on which our research and education is concerned, namely Head Injury, Cardiac Arrest and Patient Experience & Outcomes, there has been a rapidly developing portfolio of activity. Much of this work translates directly into operational improvements for the clinical team to adopt in order to provide cutting edge care to the people of Essex & Hertfordshire. However, the Centre for Excellence's vision extends wider, with the opportunity to push the boundaries of prehospital care through our Research & Scholarship, Innovation, Education & Training and Community programmes.

We have delivered a number of courses and masterclasses covering topics across Head Injury, Cardiac Arrest & Patient Outcomes & Experience. We have also delivered several Core Clinical Courses for our clinicians, external training to EEAST, and in April 2024 delivered a six-day Prehospital Care Course at the North Weald base which brought together a large training faculty as well as contributions from staff members and volunteers across the charity. This course was a great success with very positive feedback from candidates that reflected the passion of the Centre for Excellence team in delivering world class education.

Research and scholarship activity are integral to EHAAT. In 2023/24 a number of peer reviewed journal articles have been published, alongside further presentations in various academic fora. One of EHAAT's longstanding Critical Care Paramedics has commenced a PhD at EHAAT looking at specialist aspects within the field of head injury, working under the supervision of our clinicians, and collaboratively with the Centre for Trauma Sciences of Queen Mary University, London. Following a competitive application process, EHAAT has also been successful in being awarded a prestigious Vice Chancellor's Scholarship for another PhD student who will commence in late 2024.

Better understanding patient outcomes & experience is fundamental to all the work we do in clinical care. In the last year we have made great strides in gaining improved access to data regarding patient outcomes including providing our clinical team with access to the NHS summary records for our patients. We have also worked to embed a feedback mechanism (PHEM Feedback) for patients that are taken to Basildon Hospital.

We continue to develop our Schools CPR workstream and have provided CPR training to hundreds of school children through the CPR Champion pilot programme. As this workstream gathers momentum we will support an increasing number of schools in Essex & Hertfordshire with CPR training, including the loan of training equipment and mannequins to enable some children to access training that would otherwise not be available. We are recruiting a Virtual Reality fellow in partnership with colleagues at Medical Realities – this exciting role will help us explore new training opportunities using cutting edge technology and allow us to maximise the potential for our CPR programme.

Our Patient & Family Liaison (PFL) team provide an essential supportive interface for our patients and their relatives in the aftermath of devastating injury, illness or death. The PFL team are busy across the large geographical area which EHAAT serves, helping patients and their families in both the early phases of coming to terms with what has happened and also providing continuity of aftercare for those that require it. Their service brings heightened compassion, thoughtfulness and reflection to the patient journey alongside the 'frontline clinicians'. The PFL team led a large Patient Day in 2023 and continue to develop this essential function to maximise the support that we can offer.

Clinical Governance

Every Tuesday, we continue to hold Death & Disability (D&D) case review meetings at our North Weald airbase which provides our clinicians with a whole day of reflective learning and enables our governance team to assure the high quality of care provided at EHAAT. These D&D days are further complemented by input from a forensic pathologist, who is working with EHAAT to provide Clinicopathological Correlation – using post-mortem findings to learn from patient cases who died. Our D&D days remain a pillar of clinical governance and each is chaired by one of our governance consultants.

Every three months, we also host a Clinical Governance Day at North Weald. This is an external meeting which brings in experience and input from the wider community and focuses on clinical areas of interest. We also discuss (in confidence) clinical cases where there are interesting discussion and learning points that pertain to the theme for the day. We are pleased to be able to host these well-attended days at our North Weald facility, helping to further raise our profile and build partnerships with colleagues across the sector.

Care Quality Commission

Building on the 'Outstanding' inspection results from 2022 is important for EHAAT. We continuously strive to foster a culture where high quality care is delivered by our teams to our patients at their point of need.

We continue to engage with the CQC and have actively been working to ensure continuing compliance with regulatory standards and to the recent changes to regulation and monitoring processes. We continue to monitor standards internally through our governance system and audits. Patient experience remains at the forefront of our service delivery and we continue to improve care delivery and patient outcomes. The Quality Assurance Working Group meet regularly to identify and discuss changes or challenges that might affect service delivery.

c. Fundraising

Over the past year, we have celebrated many milestones, notably our 25th anniversary – a significant achievement that underscores our journey and impact since our story began in 1997. This landmark year not only presented opportunities to look back at past successes but also to press ahead with our ambitious goals for the future. We continued to expand our fundraising efforts with our ongoing diversification strategy.

Our key sources of income throughout the year included;

Retail Division

Our retail division has had an outstanding year of growth, both operationally and financially. The department contributed an amazing £257k net income to the charity seeing unprecedented year on year growth. With pre-loved goods being at the centre of its success, donation bags have become a key focus and in this period we have increased our donation bag intake by 76%. This has been achieved through local campaigning and raising awareness of our 9 shops and our Donation Centre. Our online division has gone from strength to strength with a strong focus on growing our eBay platform and introducing new income streams within the Donation Centre. We have launched our Vinted Shop and also developed our presence on Facebook selling our pre-loved donated items. The operation of the Retail Gift Aid Scheme has been successfully managed during the year with 4,310 new supporters signed up generating claims totaling over £100k.

Building our Future Fleet

This campaign aimed to raise £1 million by March 2024 towards helping us secure our second owned AW169 helicopter. Through a combination of personal gifts, gifts in wills and corporate gifts and grants, we raised nearly £800,000 which took us a significant way towards fulfilling this ambition thereby allowing us to strengthen our operational resilience for the future. The success of this new fundraising initiative reflects the deep personal commitment of both individuals and businesses to our mission whose support has been invaluable.

Regular Giving

Our Regular Giving programme has continued to grow with total income for the year of over £500,000, with associated Gift Aid claimed in addition. Thanks to our combined efforts in canvassing and telemarketing, we saw a steady rise in regular giving supporters, welcoming over 3,100 new regular givers during the year, bringing the total number to 6,814 by the year end.

In Memory and Legacy Income

Our 'in memory' income remained strong during this period, with £296k received for the year. During the year we launched three Gifts in Wills products and made significant progress optimising this area of fundraising working with Legacy Voice, a specialist consultancy focused on helping charities raise more money via legacy giving.

With a new Benefactors Programme, we are better placed to craft personalised experiences that communicate the profound, lasting impact of legacy gifts. This strategy is also focused on inspiring supporters to envision the long-term benefits of their gift, which significantly advances our mission.

Corporate Income

Our corporate income grew by £50,000 this year. A major contributor to this growth has been an uplift in corporate sponsorship, surpassing £20,000. Our Corporate Fundraising Manager proactively networks with businesses and organisations across Essex and Hertfordshire to forge successful and mutually beneficial partnerships.

Flight for Life Lottery and Raffles

Our weekly lottery remains our largest source of income and by the year end, we had 96,498 people playing 176,507 weekly chances in the draw, slightly down on the previous year's figures of 98,057 and 178,853 respectively. We launched several new campaigns specifically designed to drive signups, as we continue to recruit and engage supporters amidst the current economic challenges.

We continue to use two professional canvassing organisations which represent our values to the wider community. Through contractual terms and conditions, regular meetings and training, we ensure that they follow our values but we also closely monitor their activities. Any complaints received are followed up in detail and are reported to the Board of Trustees each month. During 2023-24 we received and followed up on 6 such complaints out of 28,611 new sign-ups. The activities of these organisations are also regulated by the Gambling Commission and Fundraising Regulator. In our efforts to help protect vulnerable people, we require all canvassers to be Dementia Friends and to attend a dementia awareness training course. Underage players are not permitted to join the Lottery; we also limit the number of chances that players may have in the lottery.

Like most charities across the UK, we are still feeling the effects of the cost of living crisis, with many people having less disposable income to make regular and one-off donations. This economic squeeze has been particularly noticeable in our raffles, where we've seen a significant decline in participation. Our Spring, Summer (which celebrated our 25th anniversary) and the Winter raffle between them still generated total ticket sales of £164k compared to £171k for the previous year.

Volunteers

Our dedicated team of volunteers not only help with fundraising activities and raising awareness of the charity, they also help increase income in their local communities. By the year-end, we were supported by over 460 volunteers, contributing hours valued at around £440k per year.

National Volunteers' Week took place in June 2023, during which we celebrated and thanked our army of dedicated volunteers for their generosity and hard work. We shared a series of volunteers' stories across social media, raising awareness of their remarkable contributions.

In March 2024, we hosted our Vision'24 engagement event at our North Weald airbase as an annual update for volunteers, refreshing the format by bringing together both staff and volunteers, sharing plans for the future for the first time.

25th Anniversary

Our 25th anniversary celebrations ran from June to September 2023 and to mark our quarter-century milestone we held our very first 'Thank-a Thon', which saw staff, representing all areas of the charity, take to the phones across our offices and airbases to call over 4,000 supporters in one day, just to say, 'thank you'.

In December, we celebrated our history with a special 25 Year Celebration Issue of our Flight for Life magazine. This edition looking back upon our journey since 1997, showcasing the patients, supporters, crew and staff who have been integral to our mission.

d) Financial Review

The consolidated accounts are for Essex and Herts Air Ambulance Trust and its wholly owned trading subsidiaries Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited.

The financial highlights of the year include:

- Total incoming resources increased by 10.8% to £19.5m (2023 - £17.6m).
- Total resources expended increased by 12.1% to £15.7m (2023 - £14m).
- Operating Surplus increased by 2.7% to £3.8m (2023 - £3.7m).
- Retained reserves increased to £52.8m (2023 - £46.9m). Of this, £24.2m is designated funds which includes £5m designated for the creation of a new expendable endowment trust, £409k is designated for the Centre for Excellence and £18.8m is designated for fixed assets which includes both aircraft and the airbase at North Weald.

A breakdown of amounts held in specific funds for restricted, unrestricted and designated purposes is shown in note 18 of the financial statements.

Income Generation
Donations and collection tins continued to perform well up by £178k (9.5%) from last year and are now above pre-pandemic levels. Retail income from our charity shops continued to grow significantly and was up £415k (43.7%) on the previous year. Lottery sales declined by £230k as new players recruited did not quite replace those who cancelled their membership. Legacy income in the year benefited from an exceptional £2.1m bequest which contributed significantly to our total legacy income for the year of £4.6m up over £1.2m on the previous year. Reported total group income (incoming resources) increased in total by £1.9m (10.8%) over the previous year.

Resources Expended
Total group expenditure (resources expended) increased by £1.8m (12.1%) in the year. This was mainly driven by increased expenditure on Charitable Activities with further planned growth in the Centre for Excellence initiative coupled with the exceptional costs incurred relating to the sale of SAS to GAMA Aviation and also higher ongoing helicopter operating costs thereafter.

Performance Summary
Increases in income meant that despite the cost increases detailed above, the operating surplus was maintained at £3.8m, up slightly on the previous year.

Our net cash balances and investments at the year end were £35.4m, down £0.9m from last year as we utilised funds specifically allocated for the purchase of the new aircraft.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Reserves Policy

Free reserves are freely available to be spent on any of the Charity's purposes; these amounts are contained within the General Fund. In this context, reserves exclude tangible fixed assets held for the Charity's use. The Trustees aspire to hold between 12 and 24 months of total expenditure in unrestricted general reserves to safeguard the operation of the service should our income fail or we face an unexpected eventuality. Current unrestricted general reserves represent 18 months' forecast total expenditure. The Trustees consider the current levels of reserves to be appropriate in ensuring the Charity remains financially robust and that it can continue to operate during periods of uncertainty, such as those experience over recent years. Below is a breakdown of the reserves.

	2024	2023
Total reserves	52,765,123	46,881,615
Less:		
Designated reserves	(19,236,935)	(25,169,097)
Endowment funds	(5,000,000)	-
Restricted reserves	(9,894)	(45,432)
Free reserves	**28,518,294**	**21,667,086**

Investments

Our investment portfolio is now managed by LGT Wealth Management following their acquisition in 2023 of abrdn's Charity and Private Client business, but our principal client management team remain the same. LGT is the largest family-owned private banking and asset management group in the world, managing around £250bn for high net-worth private individuals, charities and institutional clients. During the year our portfolio increased in market value by £2.5m, having a market value at the year end of £28.6m. This is a notional gain only; our investments are held for the medium to long term and are made using professional investment advice. In planning our investment strategy we consider the security of our investments, our future funding needs and market returns available for a given level of risk.

e) Plans for the future

Clinical

We are constantly seeking to push forward the boundaries of prehospital medicine so that we can improve the outcomes for more patients. In 2023 / 24 we have worked to develop our clinical leadership and team structures to enable us to maximise our efforts on clinical development and innovation, alongside the forward-thinking Centre for Excellence workstreams. Some of the clinical areas under development presently include:

- The introduction of Video Laryngoscopy
- Regional Anaesthesia (targeted analgesia) for hip and rib fractures
- Using roadside blood test devices and results to improve care for severely head injured patients

Operations

The main focus for Operations over the coming year is to continue towards our goal of holding our own AOC. We have formed a Joint Management of Change Task Force with GAMA as we seek to work collaboratively together to achieve this goal. We expect to see the Charity fly using its own AOC at the latest by the early months of 2026.

Fundraising

As we look to the future, our focus remains on enhancing and expanding our income strategies especially as we to continue to manage the impact of the cost of living crisis on our income. We will continue to diversify our revenue streams with a focus on growing our regular giving programme and bringing more supporters onto our CRM system. This will enable us to cultivate and deepen relationships with warm supporters through a more supportive and personalised journey. In addition to these efforts, we aim to develop our corporate partnerships, connecting with businesses that not only align with our values and support our mission but also contribute to the wider community.

A key area of our strategic development is the scoping and implementation of a new CRM system, which will streamline our operations and enhance our ability to connect with supporters and measure the impact of our fundraising initiatives, ensuring that we continue to adapt and evolve with their needs.

We now have a solid framework in place for our Benefactors Programme and look forward to the new perspectives and strategies which our new Head of Philanthropy and Partnerships together with our newly formed Development Board will bring.

Retail

In line with our retail strategy, the expansion of our retail division will continue with the recent relocation of our Mersea Island shop, which has moved across the road to a larger more effective space. The new shop now includes improved donation facilities and parking for easier drop-offs, helping to maximise footfall and enhance the experience for those shopping sustainably. We also have plans to open a new shop in Stevenage and are actively looking for a new location in the Colchester area as a commercial decision has been made to close our existing shop. At the same time, we

will be enhancing our ecommerce operations, focusing our growth on platforms such as eBay and Vinted to boost the visibility and sales of goods kindly donated by our supporters. To support the huge growth and potential in this area we will be appointing a Retail Commercial Director to lead this ever expanding and high performing team.

Communications

Our communications team is actively exploring new opportunities to boost traffic and engagement through our website, with a focus on increasing donations and requests for fundraising packs. Social media is key to connecting with our supporters, and we are looking at ways to enhance our interaction across Facebook, Instagram and TikTok. The team has also begun implementing a more granular approach to campaign tracking across our online activities, enabling us to make data-driven decisions which will improve the performance of future campaigns. We are also preparing for the relaunch of our Flight for Life Lottery in September 2024.

f) Development of Key Partnerships and Relationships

We continue to work closely with our neighbouring air ambulances, including EAAA, MAGPAS Air Ambulance, London's Air Ambulance, Thames Valley Air Ambulance, Dorset & Somerset Air Ambulance and Air Ambulance Kent Surrey Sussex, sharing knowledge and operating practices. We continue to work in partnership with EEAST as we work closely with their new senior management team.

We continue to work closely with our colleagues at Anglia Ruskin University which includes working to help secure joint funding for research projects.

AAUK continue to bring the wider UK Air Ambulance communities together and EHAAT is involved in a variety of areas including being a member of the Environmental Sustainability Strategic Innovation Committee which is a new working group looking at how the sector can reduce its environmental impact.

We continue to welcome a number of cross-party MP's and community leaders, engaging them in our work.

g) Principal Risks and Uncertainties

The Trust operates a bespoke risk management software system. The Trustees have a risk management approach that comprises:

- An ongoing review of the risks the Charity may face, with risks being entered onto a risk register. The Executive Team regularly reviews risk. The register is discussed at least once a year at board meetings and at every Audit & Risk Committee meeting.
- The establishment of systems and procedures to mitigate risks
- The implementation of procedures designed to minimise any potential impact on the Trust should risks materialise
- Use of a risk management system for all clinical occurrences, reviewed by the Clinical Risk and Safety Committee.

The Trustees consider that the most significant risks to the Charity are currently the financial impacts of a sustained period of high inflation, financial and operational risks associated with a cyber-attack and reputational risk resulting from adverse publicity for the Charity or the charity sector in general which impacts our ability to raise funds.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Trustees' Responsibilities in Relation to the Financial Statements

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company and the 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 Trust and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and the group, and hence taking reasonable steps for theprevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditors are unaware
- As the Trustees of the Charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of the information

Auditors

A resolution will be considered to reappoint Crowe UK LLP as auditors to the Trust for the ensuing year.

Approved by order of the members of the Board of Trustees on 29/11/24 and signed on their behalf by:

Jonathan Trower

Jonathan Trower
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST

Opinion

We have audited the financial statements of Essex & Herts Air Ambulance Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

Other information

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 an understanding of the legal and regulatory frameworks within which the company 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, Charities Act 2011 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Weekes (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Riverside House

40 - 46 High Street

Maidstone

Kent

ME14 1JH

Date: 18th December 2024

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	4	**99,637**	**7,369,343**	**7,468,980**	*6,118,214*
Charitable activities	5	**17,424**	**47,341**	**64,765**	*93,112*
Other trading activities	6	**14,000**	**10,963,287**	**10,977,287**	*10,798,770*
Investments	7	**-**	**1,013,787**	**1,013,787**	*618,722*
Total income		**131,061**	**19,393,758**	**19,524,819**	*17,628,818*
Expenditure on:					
Raising funds		**6,455**	**5,784,123**	**5,790,578**	*5,131,902*
Charitable activities		**19,721**	**9,933,405**	**9,953,126**	*8,819,319*
Total expenditure		**26,176**	**15,717,528**	**15,743,704**	*13,951,221*
Operating surplus		**104,885**	**3,676,230**	**3,781,115**	*3,677,597*
Net gains/(losses) on investments		**-**	**2,102,393**	**2,102,393**	*(1,214,487)*
Net income		**104,885**	**5,778,623**	**5,883,508**	*2,463,110*
Transfers between funds	18	**(140,424)**	**140,424**	**-**	*-*
Net movement in funds		**(35,539)**	**5,919,047**	**5,883,508**	*2,463,110*
Reconciliation of funds:					
Total funds brought forward		**45,432**	**46,836,183**	**46,881,615**	*44,418,505*
Net movement in funds		**(35,539)**	**5,919,047**	**5,883,508**	*2,463,110*
Total funds carried forward		**9,893**	**52,755,230**	**52,765,123**	*46,881,615*

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 52 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Intangible assets	12		-		*3,192*
Tangible assets	13		**18,827,405**		*19,303,726*
Investments	14		**31,915,858**		*32,437,175*
			50,743,263		*51,744,093*
Current assets					
Stocks	15	**14,570**		*16,809*	
Debtors	16	**1,585,365**		*1,971,645*	
Cash at bank and in hand		**3,449,241**		*3,901,303*	
		5,049,176		*5,889,757*	
Creditors: amounts falling due within one year	17	**(3,027,316)**		*(10,752,235)*	
Net current assets / liabilites			**2,021,860**		*(4,862,478)*
Total net assets			**52,765,123**		*46,881,615*
Charity funds					
Restricted funds	18		**9,893**		*45,432*
Unrestricted funds	18		**52,755,230**		*46,836,183*
Total funds			**52,765,123**		*46,881,615*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 29/11/24 and signed on their behalf by:

Jonathan Trower
(Chair of Trustees)

The notes on pages 29 to 52 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Intangible assets	12		-		*3,192*
Tangible assets	13		**18,827,405**		*19,303,726*
Investments	14		**31,915,862**		*32,437,179*
			50,743,267		*51,744,097*
Current assets					
Stocks	15	**14,570**		*16,809*	
Debtors	16	**3,246,285**		*4,204,114*	
Cash at bank and in hand		**1,150,648**		*1,086,272*	
		4,411,503		*5,307,195*	
Creditors: amounts falling due within one year	17	**(2,389,647)**		*(10,169,677)*	
Net current assets / liabilites			**2,021,856**		*(4,862,482)*
Total net assets			**52,765,123**		*46,881,615*
Charity funds					
Restricted funds	18		**9,893**		*45,432*
Unrestricted funds	18		**52,755,230**		*46,836,183*
Total funds			**52,765,123**		*46,881,615*

The Company's net movement in funds for the year was £5,883,508 (2023 - £2,463,110).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 29/11/24 and signed on their behalf by:

Jonathan Trower

Jonathan Trower
(Chair of Trustees)

The notes on pages 29 to 52 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	*2023* *£*
Cash flows from operating activities		
Net cash generated in operating activities	**(4,809,054)**	*2,294,200*
Cash flows from investing activities		
Dividends, interests and rents from investments	**1,013,791**	*618,722*
Proceeds from the sale of tangible fixed assets	**16,987**	-
Purchase of tangible and intangible assets	**(366,255)**	*(1,176,520)*
Proceeds from sale of investments	**14,632,181**	*16,084,537*
Purchase of investments	**(10,939,712)**	*(16,648,441)*
Net cash provided by/(used in) investing activities	**4,356,992**	**(1,121,702)**
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	**(452,062)**	**1,172,498**
Cash and cash equivalents at the beginning of the year	**3,901,303**	*2,728,805*
Cash and cash equivalents at the end of the year	**3,449,241**	*3,901,303*

The notes on pages 29 to 52 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Essex and Herts Air Ambulance Trust is a company limited by guarantee (registered number 05397840) which is incorporated and domiciled in England. It is also registered as a charity with the Charity Commission (registered number 1108989). The address of the registered office is The Business Centre, Earls Colne Business Park, Earls Colne Colchester, Essex, CO6 2NS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the going concern assertion by assessing the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2. Accounting policies (continued)

2.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset being transferred to the charity. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Goods donated for resale are included in the accounts when the items are sold.

The Charity receives grants in respect of furthering its charitable activities. Income from grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2. Accounting policies (continued)

2.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations, costs of trading activities and the running of fundraising events during the reporting period; and
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Salary costs are attributed to projects based on direct salary costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources. All costs were allocated on the basis of staff time, with the exception of property costs which were allocated by areas used.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.5 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	- 25 % straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	-
Short-term leasehold property	- Straight line over the length of the lease
Helicopter	- 20 years straight line
Motor vehicles	- 2-4 years straight line
Fixtures and fittings and computer equipment	- 2-8 years straight line
Assets under construction	- Nil
Clinical equipment	- 3-4 years straight line

2. Accounting policies (continued)

2.8 Investments

The investments held by the charity are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The statement of financial activities includes the net gains and losses on revaluation and disposals throughout the year.

Current asset investments are short term deposits and are held at face value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2. Accounting policies (continued)

2.15 Pensions

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

2.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

The following judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements:

Critical accounting estimates and assumptions:

- Depreciation rates for tangible fixed assets
- Residual value and useful life of helicopter

Critical areas of judgment:

- Income recognition of legacies and grants

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	82,086	1,878,480	**1,960,566**
Legacies	17,551	4,565,350	**4,582,901**
In-memoria	-	296,230	**296,230**
Collection Tins	-	87,939	**87,939**
Donated services	-	541,344	**541,344**
	99,637	7,369,343	**7,468,980**

	Restricted funds 2023 £	*Unrestricted funds 2023 £*	*Total funds 2023 £*
Donations	*38,458*	*1,741,878*	*1,780,336*
Legacies	-	*3,371,274*	*3,371,274*
In-memoria	-	*355,592*	*355,592*
Collection Tins	-	*90,500*	*90,500*
Donated services	-	*520,512*	*520,512*
	38,458	*6,079,756*	*6,118,214*

5. Income from charitable activities

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Grant-making trusts	17,424	47,341	**64,765**

5. Income from charitable activities (continued)

	Restricted funds 2023	*Unrestricted funds 2023*	*Total funds 2023*
	£	£	£
Grant-making trusts	*35,940*	*57,172*	*93,112*

6. Income from other trading activities

Income from non charitable trading activities

	Restricted funds 2024	**Unrestricted funds 2024**	**Total funds 2024**
	£	£	£
Income from lottery	-	9,437,037	**9,437,037**
Fundraising events	14,000	128,524	**142,524**
Merchandise sales	-	32,214	**32,214**
Charity shop income	-	1,363,962	**1,363,962**
Other	-	1,550	**1,550**
	14,000	10,963,287	**10,977,287**

	Restricted funds 2023	*Unrestricted funds 2023*	*Total funds 2023*
	£	£	£
Income from lottery	*2,085,425*	*7,581,120*	*9,666,545*
Fundraising events	-	*159,128*	*159,128*
Merchandise sales	-	*22,307*	*22,307*
Charity shop income	-	*949,290*	*949,290*
Other	-	*1,500*	*1,500*
	2,085,425	*8,713,345*	*10,798,770*

7. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Dividends	1,012,185	**1,012,185**
Interest	1,602	**1,602**
	1,013,787	**1,013,787**

	Unrestricted funds 2023 £	*Total funds 2023 £*
Dividends	*616,583*	*616,583*
Interest	*2,139*	*2,139*
	618,722	*618,722*

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Helicopter Emergency Medical Service	8,992,274	960,852	**9,953,126**

	Activities undertaken directly 2023 £	*Support costs 2023 £*	*Total funds 2023 £*
Helicopter Emergency Medical Service	*7,821,234*	*998,085*	*8,819,319*

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	*Total funds 2023 £*
Depreciation	**752,727**	*828,448*
Helicopter and Rapid Response Vehicle	**4,482,871**	*3,743,268*
Clinical costs	**2,895,080**	*2,712,879*
Airbase premises costs	**408,648**	*398,818*
Centre for Excellence	**452,948**	*137,821*
Total 2024	**8,992,274**	*7,821,234*

Analysis of support costs

	Total funds 2024 £	*Total funds 2023 £*
Staff costs	**719,091**	*787,442*
Operations and support costs	**88,690**	*101,020*
Other employment costs	**104,334**	*90,714*
Governance costs	**48,737**	*18,909*
	960,852	*998,085*

9. Governance costs

	2024 £	*2023 £*
Auditors' remuneration	**30,000**	*32,000*
Trustees meetings	**2,062**	*893*
Trustee indemnity insurance	**1,743**	*1,962*
Legal, consultancy and other fees	**24,659**	*(705)*

10. Staff costs

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Wages and salaries	**3,085,439**	*2,452,828*	**3,085,439**	*2,452,828*
Social security costs	**303,198**	*246,398*	**303,198**	*246,398*
Contribution to defined contribution pension schemes	**185,059**	*140,602*	**185,059**	*140,602*
	3,573,696	*2,839,828*	**3,573,696**	*2,839,828*

The average number of persons employed by the Company during the year was as follows:

	Group 2024 No.	*Group 2023 No.*
Charitable activities	**16**	*12*
Raising funds	**34**	*31*
Lottery	**3**	*3*
Retail	**28**	*26*
	81	*72*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	*Group 2023 No.*
In the band £60,001 - £70,000	**4**	-
In the band £70,001 - £80,000	**-**	*3*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	*1*
In the band £100,001 - £110,000	**1**	-
In the band £130,001 - £140,000	**1**	*1*

The total amount of employee benefits received by key management personnel is £560,809 (2023 - £715,807). This includes bonus amounts earned but not yet paid. The charity considers its key management personnel to be the Executive Team as listed in the charity information page.

There was an amount due at the year end to one member of Key Management Personnel of £17,500 (2023 - £17,500).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL).*

During the year ended 31 March 2024, Trustee expenses of £656 *(2023* - £151) have been incurred.

12. Intangible assets

Group and Company

	Computer software £
Cost	
At 1 April 2023	**115,893**
At 31 March 2024	**115,893**
Amortisation	
At 1 April 2023	**112,701**
Charge for the year	**3,192**
At 31 March 2024	**115,893**
Net book value	
At 31 March 2024	**-**
At 31 March 2023	*3,192*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

13. Tangible fixed assets

Group and Company

	Long-term leasehold property £	Helicopters £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2023	**5,848,631**	**15,704,735**	**433,268**	**693,172**	**650,793**	**23,330,599**
Additions	**37,976**	**37,417**	**139,650**	**20,686**	**130,526**	**366,255**
Disposals	**-**	**-**	**(79,782)**	**-**	**-**	**(79,782)**
At 31 March 2024	**5,886,607**	**15,742,152**	**493,136**	**713,858**	**781,319**	**23,617,072**
Depreciation						
At 1 April 2023	**847,720**	**1,981,347**	**351,550**	**335,944**	**510,312**	**4,026,873**
Charge for the year	**271,239**	**354,023**	**61,800**	**112,642**	**42,872**	**842,576**
On disposals	**-**	**-**	**(79,782)**	**-**	**-**	**(79,782)**
At 31 March 2024	**1,118,959**	**2,335,370**	**333,568**	**448,586**	**553,184**	**4,789,667**
Net book value						
At 31 March 2024	**4,767,648**	**13,406,782**	**159,568**	**265,272**	**228,135**	**18,827,405**
At 31 March 2023	*5,000,911*	*13,723,388*	*81,718*	*357,228*	*140,481*	*19,303,726*

Plant and Machinery included Assets Under Construction of £nil (2023 - £8,645,940).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2023	**32,437,175**
Additions	**10,939,712**
Disposals	**(14,632,181)**
Revaluations	**2,468,671**
Amounts written off	**893,582**
Foreign exchange movement	**(191,101)**
At 31 March 2024	**31,915,858**
Net book value	
At 31 March 2024	**31,915,858**
At 31 March 2023	*32,437,175*

14. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2023	**4**	**32,437,175**	**32,437,179**
Additions	**-**	**10,939,712**	**10,939,712**
Disposals	**-**	**(14,632,181)**	**(14,632,181)**
Revaluations	**-**	**2,468,671**	**2,468,671**
Amounts written off	**-**	**893,582**	**893,582**
Foreign exchange movement	**-**	**(191,101)**	**(191,101)**
At 31 March 2024	**4**	**31,915,858**	**31,915,862**
Net book value			
At 31 March 2024	**4**	**31,915,858**	**31,915,862**
At 31 March 2023	*4*	*32,437,175*	*32,437,179*

15. Stocks

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Finished goods and goods for resale	**14,570**	*16,809*	**14,570**	*16,809*

16. Debtors

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Due within one year				
Trade debtors	**7,063**	*4,067*	**7,041**	*4,067*
Amounts owed by group undertakings	**-**	*-*	**1,689,266**	*2,255,865*
Other debtors	**688**	*716*	**510**	*510*
Prepayments and accrued income	**594,005**	*278,922*	**565,859**	*255,732*
Tax recoverable	**145,351**	*106,332*	**145,351**	*106,332*
Legacy Debtor	**838,258**	*1,581,608*	**838,258**	*1,581,608*
	1,585,365	*1,971,645*	**3,246,285**	*4,204,114*

17. Creditors: Amounts falling due within one year

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Trade creditors	**466,622**	*618,187*	**453,935**	*619,515*
Other taxation and social security	**94,784**	*71,442*	**94,784**	*71,442*
Other creditors	**590,630**	*560,804*	**24,233**	*3,673*
Accruals and deferred income	**1,875,280**	*9,501,802*	**1,816,695**	*9,475,047*
	3,027,316	*10,752,235*	**2,389,647**	*10,169,677*

	Group 2024 £	*Group 2023 £*
Deferred income at 1 April 2023	**516,360**	*506,836*
Resources deferred during the year	**538,749**	*516,360*
Amounts released from previous periods	**(516,360)**	*(506,836)*
	538,749	*516,360*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Fixed asset fund	19,306,918	-	(845,768)	366,254	-	18,827,404
Centre For Excellence	862,179	-	(452,648)	-	-	409,531
Designation for expendable endowment	5,000,000	-	-	-	-	5,000,000
	25,169,097	-	(1,298,416)	366,254	-	24,236,935
General funds						
General Funds	21,667,086	19,393,758	(14,419,112)	(225,830)	2,102,393	28,518,295
Total Unrestricted funds	46,836,183	19,393,758	(15,717,528)	140,424	2,102,393	52,755,230
Restricted funds						
Restricted Fund	45,432	131,061	(26,176)	(140,424)	-	9,893
Total of funds	46,881,615	19,524,819	(15,743,704)	-	2,102,393	52,765,123

18. Statement of funds (continued)

£1m has been designated for expenditure on our Centre for Excellence initiative less expenditure incurred in the current year.

The restricted funds of £9,893 (2023 - £29,572) represent funds received from donors for the purchase clinical equipment and for the purchase of aviation equipment related to flying at night.

EHAAT operates in a high-risk environment using cutting edge procedures and technologies in order to move and act fast to save lives. Without regular and continued support our service simply could not run. As part of a plan to commit to the long term sustainability of the charity, the Trust is currently in the process of creating a separate expendable endowment fund using a formal trust deed. £5m has been designated in anticipation of the creation of this fund. This is with the intention the fund will be separately invested for the long term to deliver a stream of investment income to support our services for generations to come.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. **Statement of funds (continued)**

Statement of funds - prior year

	Balance at 1 April 2022 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2023* £
Unrestricted funds						
Designated funds						
Fixed asset fund	*11,038,721*	-	*(894,922)*	*9,163,119*	-	*19,306,918*
Helicopter fund	*7,200,000*	-	-	*(7,200,000)*	-	-
Centre For Excellence	*1,000,000*	-	*(137,821)*	-	-	*862,179*
Designation for expendable endowment	-	-	-	*5,000,000*	-	*5,000,000*
	19,238,721	-	*(1,032,743)*	*6,963,119*	-	*25,169,097*
General funds						
General Funds - all funds	*24,303,652*	*15,468,996*	*(9,940,951)*	*(6,950,124)*	*(1,214,487)*	*21,667,086*
Total Unrestricted funds	*43,542,373*	*15,468,996*	*(10,973,694)*	*12,995*	*(1,214,487)*	*46,836,183*
Restricted funds						
Restricted Fund	*876,132*	*2,159,823*	*(2,977,528)*	*(12,995)*	-	*45,432*
Total of funds	*44,418,505*	*17,628,819*	*(13,951,222)*	-	*(1,214,487)*	*46,881,615*

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	18,827,405	**18,827,405**
Fixed asset investments	-	31,915,858	**31,915,858**
Current assets	9,893	5,039,283	**5,049,176**
Creditors due within one year	-	(3,027,316)	**(3,027,316)**
Total	9,893	52,755,230	**52,765,123**

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	*Unrestricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	-	*19,303,726*	*19,303,726*
Intangible fixed assets	-	*3,192*	*3,192*
Fixed asset investments	-	*32,437,175*	*32,437,175*
Current assets	*45,432*	*5,844,325*	*5,889,757*
Creditors due within one year	-	*(10,752,235)*	*(10,752,235)*
Total	*45,432*	*46,836,183*	*46,881,615*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	*Group 2023 £*
Net income for the period (as per Statement of Financial Activities)	**5,883,508**	*2,463,110*
Adjustments for:		
Depreciation and amortisation charges	**845,768**	*894,922*
Losses/(gains) on investments	**(3,171,152)**	*55,103*
Dividends, interests and rents from investments	**(1,013,791)**	*(618,722)*
Loss/(profit) on the sale of fixed assets	**(16,987)**	-
Decrease in stocks	**2,239**	*12,918*
Decrease/(increase) in debtors	**386,280**	*(878,238)*
Increase/(decrease) in creditors	**(7,724,919)**	*365,107*
Net cash provided by/(used in) operating activities	**(4,809,054)**	*2,294,200*

21. Analysis of cash and cash equivalents

	Group 2024 £	*Group 2023 £*
Cash in hand	**3,449,241**	*3,901,303*
Total cash and cash equivalents	**3,449,241**	*3,901,303*

22. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	**3,901,303**	**(452,062)**	**3,449,241**
	3,901,303	**(452,062)**	**3,449,241**

23. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £185,059 (2023 - £140,602). Contributions totalling £29,436 (2023 - £3,606) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Land and buildings				
Not later than 1 year	**423,372**	*2,962,989*	**423,372**	*2,962,989*
Later than 1 year and not later than 5 years	**1,033,297**	*9,482,869*	**1,033,297**	*9,482,869*
Later than 5 years	**2,795,221**	*2,987,306*	**2,795,221**	*2,987,306*
	4,251,890	*15,433,164*	**4,251,890**	*15,433,164*

During the year, the charity purchased its second helicopter and at that point the charity no longer had any future lease commitments for the use of the helicopter. The charity still has ongoing financial commitments in relation to pilotage and maintenance of the helicopter which are disclosed in note 25 but these do not constitute lease commitments.

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Company 2024 £	*Company 2023 £*
Land and building lease costs	**394,693**	*369,102*
Helicopter operating costs	**3,199,006**	*2,545,600*

25. Other financial commitments - helicopter operating costs

	Group 2024 £	Company 2024 £
Not later than 1 year	4,079,890	4,079,890
Later than 5 years	1,400,552	1,400,552
	5,480,442	5,480,442

26. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

D Hayward is a Trustee of the Charity and is also a partner in a firm of solicitors, Nockolds. During the year the Charity purchased legal services from Nockolds, amounting to £18,894 including VAT (2023 - £20,202). There was £14,596 outstanding at the year end (2023 - £13,686).

Other than the above and the transactions identified within Note 11, there have been no other related party transactions.

27. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
Essex and Herts Flight For Life Lottery Limited	04269794	Same as parent company - see company information page	Ordinary	100%	Yes
Essex & Herts Air Ambulance Trading Limited	03739217	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Operations Limited	11995048	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Critical Care Limited	11995133	Same as parent company	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Essex and Herts Flight For Life Lottery Limited	9,436,537	1,525,917	7,910,620	2
Essex & Herts Air Ambulance Trading Limited	68,604	25,930	42,674	2
*Essex & Herts Flight For Life Lottery Operations Limited	-	-	-	2
*Essex & Herts Flight For Life Lottery Critical Care Limited	-	-	-	2

*indirect subsidiaries

ESSEX & HERTS AIR AMBULANCE TRUST

England & Wales - Charity number 1108989

Accounts

Registered number: 05397840
Charity number: 1108989

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

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ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Jonathan Trower, Chairman Darren Hayward Annalisa Ridsdill Smith Dr Ramzi Freij Clive Gilham Roy Marfleet Claire Smith Andrew Tunningley Ellisa Estrin Michelle Tennens
Company registered number	05397840
Charity registered number	1108989
Registered office	Flight House, The Business Centre, Earls Colne Business Park Earls Colne Colchester Essex CO6 2NS
Website address	www.ehaat.org
Company secretary	Brenda Playford
Executive Team	Jane Gurney – Chief Executive Officer Dr Neal Durge – Medical Director (until 19/01/23) Dr Gareth Davies – Senior Medical Advisor (appointed 12/06/23) Dr Tony Joy – Interim Medical Director (appointed 12/06/23) Dr Peter Sherren – Assistant Medical Director (until 31/12/22) Cliff Gale – Operations Director (Retired 31/12/22) Pam Withrington – Fundraising and Marketing Director Jonathan Ager – Finance Director Paul Curtis – Aviation & Operations Director (appointed 23/05/22)
Independent auditor	Crowe U.K. LLP Riverside House 40 - 46 High Street Maidstone Kent ME14 1JH
Bankers	Barclays Bank Plc 40 High Street Chelmsford Essex CM1 1 BE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Solicitors	Nockolds LLP Market Square Bishop's Stortford CM23 3UZ
Investment manager	Abrdn plc Bow Bells House 1 Bread Street EC4M 9HH

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

Chairman's Introduction

I am pleased to report that the Charity had a very successful year to 31st March 2023, during the course of which much was achieved.

Firstly, and most importantly, we continued to provide our first-class, free-of-charge, pre-hospital emergency medical service across Essex and Hertfordshire. Our services were as much in demand as they ever have been, as the following table demonstrates.

	2023	2022
Medical Emergency	1,040	958
Road Traffic Collision	573	539
Other Trauma	859	895
Other Mission Types	144	162
Total	2,616	2,554

During the year, we welcomed inspectors from the Care Quality Commission (CQC) at both of our airbases as part of their regular inspection regime, our last inspection having taken place back in 2018. The CQC seek to rate the following five areas: effective, safe, caring, well led and responsive to people's needs.

I'm delighted to report that we were rated as Outstanding, the highest rating possible, at both airbases, in all five areas which is a result of which we are very proud, demonstrating the strength of the Charity across a wide range of disciplines.

The year to 31st March 2023 was an exciting one for the Charity as we embarked on an initiative to create a Centre for Excellence. Our vision is to build a leading research and education centre through which improvements in pre-hospital care are developed in order to achieve the best outcomes for people in our region and beyond. The initiative will expand our range of expertise and resources, requiring considerable future investment. A series of working groups involving both the clinical and charitable teams have developed an operational structure around four key pillars, namely Community; Research & Scholarship; Education and Training; and Innovation. These pillars will focus on the clinical domains of Head Injury, Cardiac Arrest and Patient Experience and Outcomes, which align with the majority of cases dealt with by our crews. Clinicians have now been appointed to lead most of these pillars and domains.

Following a two-year absence due to the pandemic, the AAUK Awards of Excellence returned this year, and we were shortlisted in 5 categories. I am delighted that we won the Innovation of the Year category for the development and introduction of the EHAAT Critical Care Training Passport.

In May 2022, we signed a contract to purchase our second AW169 aircraft. It is anticipated that this aircraft will be delivered to the UK in December 2023 for its medical fit out and be operational by March 2024. The operation of identical aircraft types is an important step towards our medium-term ambition of holding our own Air Operating Certificate. All of this will secure the long-term future of this Charity for the benefit of the people of Essex and Hertfordshire. However, it requires substantial expenditure and will only be possible if we continue to build our resources and enhance the financial strength of the Charity.

In December 2022, EHAAT started to fly HEMS night missions from its North Weald airbase. Therefore, the Charity is now able to deliver a service in the hours of darkness by helicopter during the shift period, rather than having to rely on Rapid Response Vehicles (RRVs). Flying night HEMS missions involves the use of Night Vision Imaging Systems (NVIS), allowing the pilots and crew to see in the dark, to identify landing sights and obstructions, using the infrared spectrum to convert the limited available light into a useable image.

We bid farewell to Cliff Gale, our Operations Director, this year as he seeks to enjoy a well-earned retirement after almost 16 years with EHAAT. He handed over the reins to our new Aviation and Operations Director, Paul Curtis, an experienced military and HEMS pilot with a strong record in safety management and operations.

The year to 2023 has seen the continued slow recovery of the Charity's community and corporate fundraising programmes, both of which were adversely affected by the pandemic. Fundraising this year has seen the effects of the cost of living crisis impacting on individual donors. In particular, we have seen a slowdown in sign-ups to our Flight for Life Lottery, our biggest single source of income, coupled with an increase in cancellations from existing players.

Our popular Aeromed conference, a free to attend aeromedical conference, returned after a 2-year hiatus and was held at Ford Dunton Technical Centre. Speakers covered topics including responding to major incidents, protecting the mental health of first responders and Operation Pitting, the British military operation to evacuate over 15,000 people from Afghanistan.

I am pleased to report that EHAAT yet again demonstrated its financial resilience during the year, culminating in an Operating Surplus of £3.7m and overall reserves of £46.9m at the year end. Our reserves comprise both restricted reserves and unrestricted reserves. Unrestricted reserves are available to be spent on any of the Charity's purposes. Unrestricted reserves include both free reserves and reserves designated for purposes such as the purchase of our second helicopter. Due to the life-saving nature of our work, the Trustees take a cautious approach with regards to reserves, as closure of the service would be potentially catastrophic to the public we serve. Our Reserves Policy is to hold between 12 and 24 months of free reserves to safeguard the operation of our service for a prolonged period of time should our income fail as a consequence of an unexpected eventuality. At the year end, sufficient free reserves were held to fund 16 months of forecast expenditure, which excludes the £862k designated for the Centre for Excellence. The reserves policy is reviewed annually by the Trustees to ensure that any new or changed legislation or guidance is incorporated and to consider any changes in the circumstances of the Charity.

EHAAT is committed to increasing the diversification of its income sources to ensure a robust financial model which secures its service for the long term. The Trustees have determined that a key aspect of this is to grow an endowment fund which will deliver a new stream of investment income and offer additional security to the Charity into the future. The endowment fund will provide a particularly appropriate way of stewarding generous legacy gifts received by EHAAT with the goal of supporting the Charity for generations to come.

Our financial results demonstrate that we continue to be well supported by the people of Essex and Hertfordshire in spite of the increasing headwinds faced by the UK economy. However, we take nothing for granted and we know that we must continue to earn that loyal support by the work that is undertaken by our Executive Team and our staff every day of the year.

Therefore, finally, I would like to thank the Executive Team, all of our staff and volunteers for their hard work and dedication, to thank my fellow Trustees for their guidance and support and to welcome our latest addition to the Board of Trustees, Michelle Tennens.

Jonathan Trower

Jonathan Trower
Chairman
Date: 27/9/2023

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Within the Trustees' Report is the Strategic Report, required under Section 414c(11) of the Companies Act 2011.

1. Structure, Governance and Management

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the Group for the year ended 31 March 2023. The Board confirms that the Trustees' Report and financial statements of the Group comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in July 2014 (FRS102 SORP 2015).

a) Governing Document

Essex & Herts Air Ambulance Trust (EHAAT or the Charity) is a company limited by guarantee and was incorporated on 18th March 2005. It is governed by its Articles of Association, which were last amended on 22 March 2018. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Member (the members being the Trustees).

b) Appointment of Trustees

Trustees are selected by reference to a matrix of skills and experience that has been established to ensure that the Charity's objectives can be met. The matrix includes clinical, budgeting and finance, legal, fundraising, marketing, commercial sales, public relations, IT, HR management, community and voluntary sector expertise, risk and strategic planning.

New Trustees are given an induction pack at an orientation meeting to brief them on both the Charity and their legal obligations under charity and company law. It includes the Articles of Association, a Duties of Charity Trustees booklet, and strategic and business plans. We also arrange for them to meet the CEO, Executive Team and the wider staff spending a day at the head office. Trustees are given specific Charity information as well as external training.

There is currently no upper limit to the time that an individual can be a Trustee, but one-third of all Trustees are required to retire by rotation each year and, if willing to continue, offer themselves for re-election.

c) Values

Our actions are guided by our values – **passionate** in going the extra mile; **professional** in treating everyone as they would wish to be treated; **innovative** in driving forward best clinical practice; **trustworthy** in working openly and honestly and **dedicated** because we care about the cause, our patients and each other; and **inclusive** in treating everyone in the way which we ourselves would like to be treated.

d) Organisation

The Board of Trustees which governs the Charity can have up to twelve members — there are currently ten Trustees with a quorum requirement of five at all meetings. The Board met five times during the period under review. The Trustees delegate the day-to-day management of the Charity to an Executive Team by means of a formal Scheme of Delegation. Committees comprised of both Trustees and Executive Team members are established where necessary to advise the Board on various strategic matters. There were five in operation during this financial year, and are listed below.

Committee/Group	Trustees
Investment Advisory Committee (established Nov '14)	Andrew Tunningley (Chair), Jonathan Trower, Clive Gilham
Audit and Risk Committee (established Sept 19)	Clive Gilham (Chair), Andrew Tunningley, Michelle Tennens
Nominations Committee (established Nov '20)	Darren Hayward (Chair), Jonathan Trower, Annalisa Ridsdill Smith
Retail Advisory Committee (established Sept '20)	Claire Smith (Chair), Annalisa Ridsdill Smith, Roy Marfleet
Clinical Committee (established May '22)	Ramzi Freij (Chair), Jonathan Trower, Ellisa Estrin

e) Pay policy for senior staff

The Trustees consider that the Board of Trustees and the Executive Team (as detailed on page 1) comprise the key management personnel of the Charity. Trustees are not remunerated. The pay, related policies and annual remuneration of the Chief Executive Officer are decided by the Trustees, whilst the pay for the remainder of the Executive Team is decided by the Chief Executive Officer after consultation with the Trustees.

When setting remuneration levels, the Charity aims to strike a balance between market-appropriate pay, the need to attract and retain people with the necessary skills we require, and the public's and our donors' expectations that the money which they entrust us with will be used wisely to provide a first-class helicopter emergency medical service.

It is central to achieving our objectives that the Charity can attract and retain high-performing senior leadership. Remuneration may vary depending on the job type, its complexity and the range of activities undertaken. It is validated objectively using market comparators such as salary survey data from charitable, private and public sectors as required. Independent advice from suitable third-party professionals is also sought where deemed to be necessary, coupled with benchmarking against comparable Air Ambulance charities and other third sector organisations.

We are committed to fairness in our remuneration practices and follow these guiding principles:

- Proportionality – fairness and consistency in line with appropriate benchmarks
- Rewarding Performance – ensuring an individual's remuneration is commensurate to their performance and personal contribution to the Charity
- Recruitment and Retention – enabling us to attract and retain valued staff
- Expertise and Experience – ensuring it is appropriate for the role
- Transparency – openness and clear communication about the process undertaken when setting remuneration levels across the organisation

f) Structure

The Charity has four wholly-owned subsidiaries: Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited. The principal purpose of these subsidiaries is to operate weekly lotteries together with raffles and to account for the Charity's trading activities respectively. The profits of all companies are donated to the Charity under a Deed of Covenant.

g) Code of Governance

The Trustees look to promote good governance throughout the Charity, continuing to ensure we operate, where applicable, in line with best practice as set out in the Charity Code of Governance. During the 2020-21 financial year, as part of this process, EHAAT engaged a specialist to perform a Board Effectiveness Review to consider its activity and function. From this review process, the Trustees gained reassurance that the Charity already met the majority of recommended practice detailed in the Code and are making progress on areas identified where improvements could be made. A follow up review will be undertaken in 2023/24 to continue to measure progress.

h) Related Parties

Trustees and members of the Executive Team are the people who can control or significantly influence our Charity, and so they disclose their interests in a register which is reviewed annually by the Board of Trustees as a whole. In addition, there are occasional transactions which directly involve individual Trustees, and when Trustees consider these arrangements, the relevant Trustee leaves the Board Meeting for such business. All such transactions which arose during this financial year are disclosed in this annual report within Note 25.

2. Objectives and Activities

a) Objectives

The objective of the Charity is to assist in relieving pain and sickness by the operation of a pre-hospital emergency medical service for the counties of Essex and Hertfordshire and surrounding areas. The service is provided mainly by helicopter with additional rapid response vehicles. The Charity may also perform such other charitable purposes for the relief of pain and sickness consistent with this objective as the Trustees shall determine at their discretion.

b) Public Benefit

The Trust provides a free of charge, pre-hospital emergency medical service that assists people in our geographical area, and adjacent areas, with serious illness or injuries helping to save lives. In shaping the objectives of the Trust for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

c) Activities

Essex & Herts Air Ambulance, unlike the NHS emergency services, is a charity providing HEMS for the seriously ill and injured of Essex, Hertfordshire and surrounding areas. Our fundraising activities are planned to optimise our income to fund this life-saving service and build the Charity's brand awareness. Transparency and good governance are recognised as being essential to maintain the trust and support of members of the public and their resulting financial generosity.

3. Strategic Report

Achievements and Performance

a) Operations

In December 2022, EHAAT started to fly HEMS night missions from its North Weald airbase, meaning the Charity is now able to deliver the same level of service in the hours of darkness by helicopter during the shift period, rather than having to rely on RRVs. Flying night HEMS missions involves the use of Night Vision Imaging Systems, allowing the pilots and crew to see in the dark, to identify landing sights and obstructions, using the infrared spectrum to convert the limited available light into a useable image.

The EHAAT owned AW169 helicopter, based at North Weald, has been in operation since 2017. Since its introduction, it has flown 3,142 HEMS missions, accumulating 1,500 flight hours, attending over 2,360 patients. The Earls Colne based MD902 helicopter continues to operate under a lease agreement, providing identical aircrew and equipment to mirror the life-saving service provided from the North Weald base. The Earls Colne helicopter is due for replacement with a second AW169 on order and is expected to become operational in early 2024.

The purchase of the new AW169 was agreed in Q1 2022 and will bring an improvement in operational capability to the region. The new aircraft is faster, has a greater payload capacity and is able to fly for longer due to its greater fuel endurance than the MD902 it will be replacing.

Both aircraft are currently maintained by SAS, who also provide pilots and co-pilots. SAS and representatives of the Charity meet twice a year to formally review the contractual arrangements and ensure compliance. We have partnered with SAS since 2008 and are contracted with them through to 2027, but we monitor the industry more widely to ensure that we continue to receive value for money for a safe, secure and high-quality service. The SAS provided operation is audited annually by the Civil Aviation Authority to ensure compliance with the latest regulations and industry best practice.

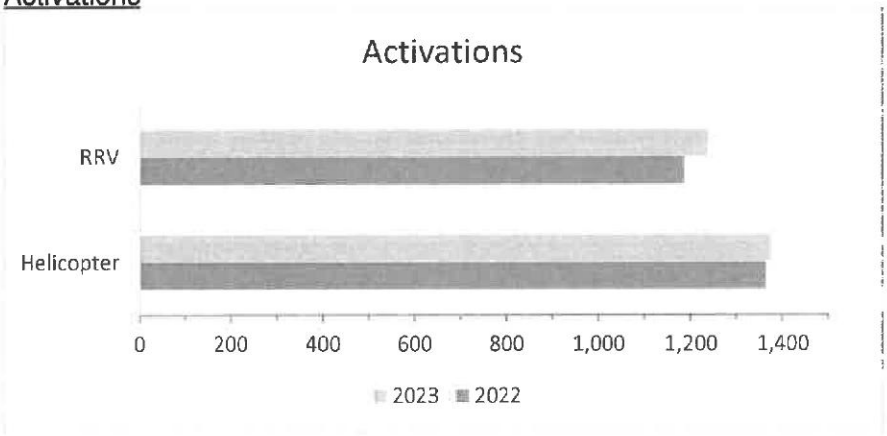
The partnerships EHAAT has with EEAST and the wider NHS continue to be strengthened with regular meetings and information sharing on best practice, to ensure EHAAT remains at the cutting edge of pre-hospital care delivery for the people of the region. EHAAT also works closely with other air ambulance charities, including East Anglian Air Ambulance, Air Ambulance Charity Kent Surrey Sussex, MAGPAS and Thames Valley Air Ambulance (TVAA). EHAAT continues to work with other UK Air Ambulance charities, particularly those that have their own Air Operations Certificate (AOC). Strategically, EHAAT also aspires to have its own AOC in the future in order to give it full independence and oversight of all of the aviation processes. This will help make EHAAT more agile in responding to future changes in operational practices, together with allowing greater control across all operational matters.

EHAAT continue to operate four Volvo XC90s as RRVs, which go on-line when the helicopter shift time ends, when the weather is too bad to fly, or when the helicopters require servicing. This allows the teams to continue to respond to incidents in the region from our North Weald and Earls Colne bases when the helicopters are unavailable. Last year, EHAAT Teams responded to 1,225 incidents using the RRVs.

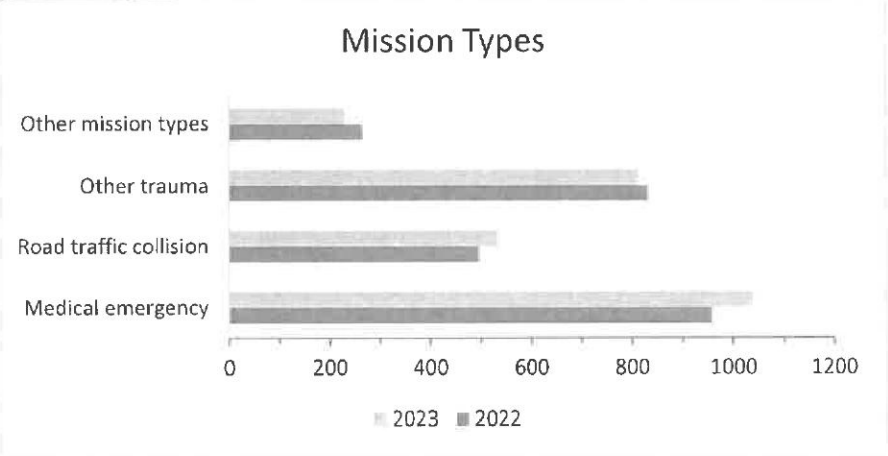
In the COVID-19 pandemic recovery period, the operation continues to develop, moving back to a new normal work tempo with overall activations having increased by 5% from the previous year. Overall, EHAAT Critical Care Teams are now treating more patients than the previous year.

Operational performance data provides the following results:

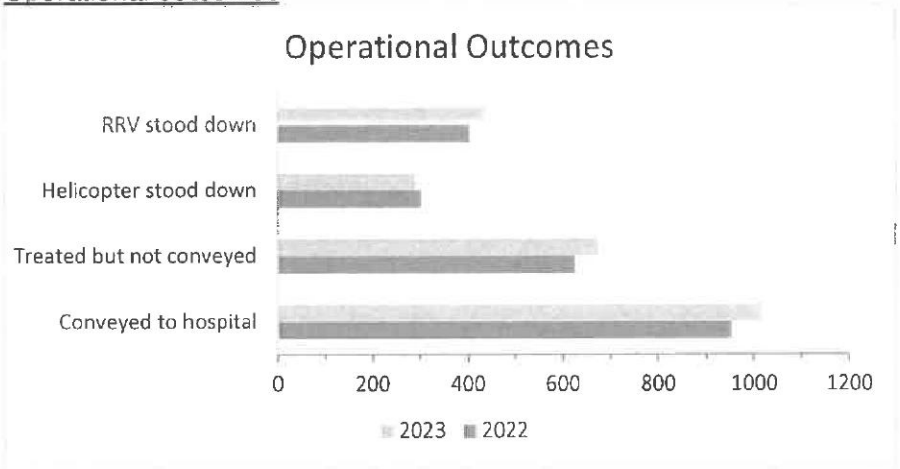
Activations



Mission types



Operational outcomes



Carbon Footprint

The Trustees have given the Charity a clear objective to introduce initiatives to reduce its carbon footprint. To evidence any reduction in our impact, an external company, Carbon Footprint Ltd, has been engaged for the last 3 years to assess and report our emissions.

An important part of this work was around the construction of EHAAT's new airbase at North Weald, which was completed in February 2021. It was designed with environmental considerations as a priority and achieved an energy performance certificate (EPC) grading of A, the highest possible. The work at North Weald removed its dependence on liquid propane gas as a heating fuel. The results with regard to electricity costs for the new 24/7 building are impressive, with monthly costs that are less than the average domestic bill. This achievement is put down to the fact that the new airbase went above and beyond the required building regulations, with additional initiatives incorporated that included the installation of photovoltaic (PV) panels on the roof, motion sensor lighting inside the building, and an all-electric heating and cooling system.

For EHAAT, sustainability is not just isolated to North Weald; it is also being carried across to its airbase at Earls Colne. The decision was made to replace its antiquated oil-based heating system with a modern, all electric installation. PV panels were also installed on the hangar roof.

As primarily an operator of two helicopters, there is no getting away from the fact that EHAAT is a carbon hungry operation, especially when it comes to fuel. Consequently, future innovations, such as the development of sustainable aircraft fuel are being monitored closely as well as carbon offsetting projects. Two out of the fleet of four rapid response vehicles are now plug-in hybrid vehicles, and the order has been placed for two further hybrid vehicles, which will mean all of the RRV fleet will be hybrid by the end of 2023.

EHAAT's nine charity shops across the region, as well as its donation centre in Stevenage, provide a sustainable and ethical option for when people dispose of unwanted goods, promoting reuse and recycling to reduce landfill and make a positive difference to the UK's carbon footprint.

As well as electric vehicle charging points being installed at both airbases and charity headquarters at Earls Colne, additional steps have been implemented to improve waste segregation and recycling.

The Charity is currently engaging in various initiatives to help reduce its carbon footprint, which include:

- Carbon offsetting – Tree planting at its Earls Colne Airbase
- Sites being sought for consideration to plant many more trees in Essex and Hertfordshire
- Charity vehicles changed to hybrid models
- Telematics installed on all vehicles to monitor driving efficiency and safety
- Reducing the number of office printers
- Switching utilities to a green tariff in 2023

The third year of assessing its carbon footprint has shown a reduction of 21.2% in absolute emissions. By achieving this, EHAAT has qualified to use the Carbon Footprint Standard branding. This can be used on all marketing materials, including website and customer tender documents, to demonstrate EHAAT's carbon management achievements.

b) Clinical

Clinical Leadership

During the year, we have appointed two new roles, Head of Patient Safety and Quality together with a new Clinical Manager. Both appointees were previously seconded to us from the East of England Ambulance Service (EEAST) as Critical Care Paramedics, so they come to us with a wealth of experience and are already very familiar with our clinical operation.

During the year, our Medical Director, Dr Neal Durge, left the Charity. We took this opportunity to review the structure of the senior clinical leadership team and have appointed Dr Tony Joy as interim Medical Director supported by Dr Gareth Davies as Senior Medical Adviser, to help with this process. Both have been associated with the Charity for a number of years.

Clinical Service

Our focus is the patients and communities which we serve. Over the last twelve months, we have responded to 2,616 calls within Essex, Hertfordshire and the surrounding areas, treating 1,903 people.

The patients to whom we are mobilised are often the sickest or most injured patients in the region, requiring levels of care that are ordinarily only available in a hospital. Once on scene, our critical care teams provide clinical leadership, enhanced clinical decision-making and perform hospital-level interventions. Combined with rapid transport to facilities that offer definitive care, all of these skills allow us to support and achieve enhanced patient outcomes.

To further enhance patient outcomes, our service continues to support the development and growth of clinical pathways with our receiving hospitals. This ensures that our patient's treatment is not delayed and means that we often bypass local hospitals to deliver our patients to specialist care.

An example of this is the new pathway that has been established with the Basildon Cardio-Thoracic Centre. Our clinicians transfer patients directly to the unit rather than going via the emergency department. This development allows patients who are affected by cardiac events to be transported directly to a specialist cardiac facility. Despite being relatively new, this pathway is showing significant benefits and contributing to successful outcomes.

We are very pleased to report that we will be taking part in the Swift Blood trial, which is being led by the NHS Blood and Transplant service. The study will look at whether giving whole blood instead of red blood cells and plasma pre-hospital will reduce the number of deaths 24 hours after injury and reduce the need for further large blood transfusions when patients arrive at the hospital.

Clinical Team

Our Clinical team, which includes Critical Care Paramedics from EEAST, Flight Doctors, Pre-hospital Emergency Medicine (PHEM) Trainees (also doctors), our Consultants and our Emeritus Doctors, continues to deliver twenty-four-hour care across the region.

The Critical Care Paramedics are the mainstay of the clinical operation. Seconded to us from EEAST for up to six years, they support our doctors who rotate through the organisation at a higher rate, supporting the delivery of high-quality clinical care.

The consultant group provide oversight of the clinical operation, undertaking peer review and supervisory shifts. They are also available to support the clinical team outside of the operational arena for debriefing and support.

The Emeritus Doctors are doctors who have completed a fixed-term secondment with us and have returned to their training programme or substantive role within the NHS. We are very fortunate to retain the services of the Emeritus team, who provide not only support, guidance and supervision to our new team but also offer a level of resilience to cover sickness and annual leave.

A significant benefit of both the Consultant group and the Emeritus team is that they help us retain organisational clinical knowledge and clinical skills by ensuring that the lessons learned are shared and retained.

The Clinical Risk and Safety Committee, which has representatives from all areas of the operational team, meets monthly to discuss all reported incidents, which can include both clinical and administrative issues. Through this process, we identify a range of themes and trends to include issues that may need reporting to equipment manufacturers. Through this group, we are able to ensure that learning is captured and education is delivered which maintains and improves the safety of our clinical operation.

Centre for Excellence

Since its conception at the Strategy Day in 2021, we have been working hard to bring the vision for a Centre for Excellence to life. This has involved a series of working group events held throughout the year to include both clinical and non-clinical members of staff as well as expert guest speakers. This series of events enabled us to shape the overall strategy and embark on recruiting for key positions, including Head Injury Lead, Education Lead and a Community Lead. The first job for these new recruits is to write detailed strategies for their individual areas of responsibility, building upon the work done to date. The Centre for Excellence Lead for Education has already established neuroanatomy refresher training, which will be built upon by our new Academic Lead for Head Injury to incorporate some pioneering treatments for traumatic brain injury.

Welfare & Support

We recognise that wellbeing and performance are linked. Improving our team's ability to handle pressure and balance work and home life pressures can lead to improved individual and organisational performance.

We understand that our team may need additional support at times. Our commitment to wellbeing is demonstrated by having different layers of support on offer that includes Mental Health First Aiders, our Wellbeing Working Group, Chaplain support, and Psychotherapy support. We are committed to creating an open culture where the team feel able to talk about mental health confidentially. To demonstrate this, we have signed the 'Charter for Employers Positive about Mental Health', registering as a 'Mindful Employer' and also introducing Freedom to Speak Up champions.

We have also signed up to the McQueen charter, inspired by the late air ambulance doctor Dr Carl McQueen, which is a new initiative which aims to improve mental health and wellbeing in the workplace by helping employers create safe, positive and open environments where staff feel their mental health is prioritised, able to discuss their mental health and are supported to access.

We have been very busy this year, contributing to multiple studies, audits and ongoing research. We have also had several publications generated by our own team. As the Centre for Excellence continues to grow, we expect that this kind of activity will increase further in the future. In our quest for continual improvement, we recently commissioned an external independent review into our culture, which we will utilise to enhance our overall people strategy.

Clinical Governance

We continue to have our Death and Disability (D&D) sessions at our North Weald airbase, where previous cases are reviewed to monitor the quality of patient care for the purpose of learning. The D&D days have been further enhanced with the addition of Clinical Pathology correlation days in which a forensic pathologist uses injury patterns and post-mortem findings to further enhance the sessions, allowing us to learn from patients who have, sadly, died. An entire day is devoted to case review, audited against standard operating procedures and good practice guidelines, and chaired by a Consultant in Pre-Hospital Care. These meetings are highly valued by the clinical team, not just from a learning perspective but also from an ongoing health and wellbeing perspective.

Care Quality Commission

The anticipated CQC inspection took place, for which we were well prepared, thanks to our commissioning of an external company to conduct an audit/inspection of the service against the current CQC inspection framework. This produced positive results and guided and focused us in certain areas, most importantly, how we collate and present evidence. This work and commitment were well timed, as in August 2022, we received notification that an inspection would be taking place, and we entered into our inspection period (14 days). Over 320 separate pieces of evidence were reviewed and submitted as part of the inspection. The outcome of the inspection was a rating of Outstanding across all five areas inspected.

We continue to monitor standards internally through our governance system and audits. Patient experience remains at the forefront of our service delivery and we strive to continue to raise the bar in care delivery and patient outcomes. The CQC Working Group meet regularly to maintain understanding and horizon scan for changes or challenges that might affect service delivery.

Patient Liaison

The Patient & Family Liaison Team have been working hard to host a backlog of base visits caused by the pandemic, and we are also progressing with support and visits for all of our more recent patients, families, and friends who wish to have contact with us. Visits include meeting those who have lost a loved one to supporting those who have recovered from an incident. Every effort is being made to be inclusive in all base visits by inviting EEAST ambulance and other emergency services partners to the airbases.

Due to the sensitivities of this role, it is often a challenge to share feedback and outcomes, however, on a fundraising platform one of our families wrote.

"If you could donate to the Essex & Herts Air Ambulance Crew, who have been fantastic. All the paramedics and ambulance crews were outstanding, but in particular, the air ambulance crew have gone above and beyond. They have been in touch to let us know how deeply the crew have been affected and how we have been in their thoughts day and night. The crew there that morning offered to meet with me and the children at any point if we felt that would help and to show (my son) the helicopter so he won't be scared of seeing one in the future. I just hope anyone ever faced with anything like this can face the same service. "

We offer support to staff and volunteers across the Charity who have regular contact with patients and families in their varying roles. Our programme of reaching out to patients, their families and supporting EHAAT's team will be extending further as we develop our clinical liaison capacity in 2023.

We are developing our research and service evaluation by exploring patient and family experiences to inform care, developing our patient survey to a much wider group with electronic QR feedback, and being able to increase the capacity of the service to reach out to more patients, their families, the wider community, and stakeholders that are touched by our service.

Training

Training and education remain an integral component of EHAAT operations and clinical governance. The Critical Care Passport, for which EHAAT won the Innovation of the Year Award at the Air Ambulance UK Award Ceremony in November 2022, is a compliance tool which undergoes weekly review to ensure the team is rehearsing the most complex scenarios and interventions with the use of our immersive Simulation Suite. Moulages are undertaken during shift or as part of the D&D meetings which are held every week. Our Simbody mannequins add an additional layer of realism to our training, and we are currently pursuing a grant to fund an additional child and premature baby mannequin.

The EHAAT Pre-Hospital Care Course for EHAAT clinicians has evolved in the last 12 months and is now a 7-day, intensive course which also includes a whole day in the cadaveric anatomy laboratory, preparing clinicians for multiple pre-hospital surgical interventions. We invite our colleagues from the emergency services to take part in the course, not only to support the scenarios but also to promote cross-service communication and more efficient working. EHAAT team members are also supported financially to attend conferences and undertake examinations such as the Diploma in Immediate Medical Care (Royal College of Surgeons Edinburgh).

Our Student Elective Programme remains very busy, with students from across the globe competing for places. The students contribute to knowledge with the projects and audits they undertake, some of which manifest as academic posters which are displayed at conferences. A mini elective has been established for personnel from 16 Medical Regiment (RAMC); another successful partnership which has supported our EHAAT Pre-Hospital Care Course.

The virtual lecture series, which takes place one evening a month, continues to draw a large international audience and attracts a lot of positive feedback from attendees.

We achieved a record number of CPR public training sessions on the national Restart a Heart Day, as 682 adults and children practised CPR at Lakeside Shopping Centre in Thurrock in September 2022. The event not only raised awareness of our work but taught life-saving skills and raised over £500 in public donations.

c) Fundraising

Building on the resilience, agility and creativity our teams demonstrated in the face of change and uncertainty, we continued to diversify our income streams whilst identifying new ways to engage with supporters. Despite the challenges of the cost-of-living crisis, we were delighted to see the return of crucial community events such as Strictly Air Ambulance. We also worked hard to raise awareness of our work through targeted social media campaigns and other digital marketing initiatives. By developing and implementing these strategies, the Charity remains committed to ensuring its life-saving work can continue well into the future.

Our key sources of income throughout the year included;

Retail Division

Retail saw some significant change throughout this year, with the introduction of a new head of department in July 2022. We've also welcomed two ecommerce team members and a Donation Centre Manager. As a result, we have shifted our operational focus and seen significant steps forward in terms of development and growth. We have been particularly focused on the delivery of our ecommerce division and operational standards within shops, with our retail team working diligently to improve in these areas.

The opening of our Letchworth shop has been a major success, drawing in high footfall and raising awareness throughout the local community. With some collective operational focus, we have seen our average transaction value and gift aid contribution across the estate continue to grow as we improve retail standards within our shops. Ecommerce has been another high-performing area. We are now starting to see how we can leverage the potential of this platform with a particular focus on product, quality and audience. Additionally, we have made significant strides in optimising our back-of-house operational procedures, laying a solid foundation for continued growth and success.

Major Benefactor Programme

We appointed a Head of Philanthropy in February 2022, and one year on, the new major giving strategy is well underway. During the initial phase, we conducted extensive research and a feasibility study, which informed the development of a four-strand strategy approved by the Trustees in June 2022.

- Delivering a capital campaign towards the new AW169 helicopter
- Establishing a mid to high-level giving programme
- Developing an effective donor journey for existing givers
- Defining an ambitious vision as embodied in the Centre for Excellence

The first strand of this strategy, the capital campaign, has been the primary focus for 2022-23. Preparatory work included the development of a campaign plan, brand and materials. We also implemented a reporting structure and event format. A campaign board was initiated in the autumn, and we launched our 'Building our Future Fleet' campaign with the first event in October. By the end of March 2023, 14 campaign gifts and pledges had been secured, totalling £82k (including gift aid).

With support and leadership from the executive, trustees and senior volunteers, this strategy will be founded on the development of long-term relationships with donors and potential donors by engaging them with our work. By forging new relationships and deepening existing ones, the campaign will serve as a strong foundation for our major benefactor programme in the future.

Regular Giving

Regular giving continues to grow in importance as a source of income. Using both canvassing and telemarketing, we recruited over 1,723 new regular givers during the year, bringing the total number of active regular givers to 4,706. Cumulative income for the year is £420k, with a further £51k claimed in associated Gift Aid.

We also introduced a loyalty programme, 'Thank You Calling', where both staff and volunteers called our regular givers to thank them for their support. This engagement and recognition of their gift helps with attrition levels and, in some cases, results in supporters kindly increasing the amount given.

In Memory and Legacy Income

Our 'in memory' income remained strong during this period, with £356k received for the year. At the start of the year, we created a special area on our website, powered by Much Loved, which provides a place where those who have lost someone dear to them can donate in memory, set up tributes, and remember their loved ones. We are touched that people across Essex, Hertfordshire and surrounding areas continue to think of the Charity at such a difficult time.

A legacy gift reflects a person's desire to make a lasting contribution long after they are gone. We sensitively promote Gifts in Wills across various media platforms such as radio, local press and social media. The income received in the year ended 31st March 23 was £3.4m, an increase of 45%.

Flight for Life Lottery and Raffles

Our weekly lottery remains the main source of income for the Charity and plays a crucial role in raising awareness of EHAAT's life-saving work. We seek to recruit new players who we hope will join us on a supporter journey, keeping up to date with charity news while potentially helping to make a difference in other ways, such as leaving us a gift in their will or becoming a volunteer. During the year, the cost of living crisis impacted the number of people joining the lottery together with increased levels of attrition amongst existing players. We finished the year with 98,057 individuals playing 178,853 weekly chances in the draw.

We contract two professional canvassing organisations which represent our values to the wider community. Through contractual terms and conditions, regular meetings and training, we ensure they follow the Charity's values and that their activities are closely monitored. Any complaints received are followed up with the canvassing companies concerned and are reported to the Board of Trustees every month. During 2022-23, we received 7 such complaints, out of 29,582 new sign-ups. The activities of these organisations are also regulated by the Gambling Commission and Fundraising Regulator. In our efforts to help protect vulnerable people, we require all canvassers to be Dementia Friends and to attend a dementia awareness training course. Underage players are not permitted to join the Lottery; we also limit the number of chances players may have in the lottery.

During the year, we reverted to operating the lottery with a single licence with the Gambling Commission. This follows a change in legislation to increase the maximum turnover cap from £10m to £50m. Operating with a single licence enables EHAAT to reduce administration costs for the day-to-day management of the lottery.

Our three raffles – Spring/Summer/Autumn generated a total income of £243k, which is significantly down on 2021/22 (£382k), reflecting reductions in discretionary spending by the public during the ongoing cost of living crisis.

Air Ambulance Week

During Air Ambulance Week (5th to 11th September 2022), we joined other UK air ambulances in a campaign titled 'Critical Moments – Lifesaving Difference' to raise awareness of the life-saving work carried out by critical care teams. Thousands of supporters and volunteers came together to raise the profile of air ambulances across the UK. We also published a dedicated landing page on our website to drive donations and spread the word across social media. One video we released featured our celebrity ambassador Ray Winstone, as he highlighted key mission statistics and called on people across Essex and Hertfordshire to donate £5 to share their support. The week coincided with the mass catering episode of Celebrity MasterChef 2022, filmed at our North Weald airbase, which aired on BBC One on Tuesday, 6th September 2022.

Volunteers

Our dedicated team of volunteers continue to play a crucial role in raising awareness of our life-saving work, assisting with support in our local communities and helping to increase income. At year-end, we were supported by 433 volunteers, up from 412 volunteering for us at the end of last year.

National Volunteers' Week took place during the first week of June as we celebrated and thanked our volunteers for their generosity and hard work. We shared a series of volunteers' stories online and across social media, raising awareness of their amazing contributions.

In November, we also had the pleasure of hosting Vision 23 at our North Weald airbase, where over 50 volunteers attended. Many of those unable to attend in person joined via Zoom as the Executive Team outlined plans for the future.

During the year, the Volunteer Forum conducted its regular quarterly meetings. At their meeting in December, the action plan for 2023 was discussed, which included new fundraising initiatives, volunteer recruitment, CPR demonstrations, and building a sense of volunteer community whilst promoting wellbeing. The team also discussed ideas for the upcoming 25th anniversary of the Charity.

New Celebrity Ambassador – Lisa Snowdon

In September, Lisa Snowdon joined us as a Celebrity Ambassador to increase awareness of our life-saving work. Lisa was crowned the Winner of Celebrity MasterChef 2022 and visited our North Weald airbase during filming of the hit BBC cooking show. Since then, she has been collaborating with our fundraising team to develop opportunities to showcase the work of our Charity and co-hosted Strictly Air Ambulance 2023 at Charter Hall in Colchester, an event which raised just over £19k for EHAAT.

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

d) Financial Review

The consolidated accounts are for Essex and Herts Air Ambulance Trust and its wholly owned trading subsidiaries Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited.

The financial highlights of the year include:

- Total incoming resources increased by 13.6% to £17.6m (2022 - £15.5m).
- Total resources expended increased by 14.9% to £14m (2022 - £12.1m).
- Operating Surplus increased by 8.8% to £3.7m (2022 - £3.4m).
- Retained reserves increased to £46.9m (2022 - £44.4m). Of this, £25.2m is designated funds which includes £5m designated for the creation of an expendable endowment trust, £862k is designated for the Centre for Excellence and £19.3m is designated for fixed assets which includes the existing aircraft; the capital commitment relating to the second AW169, and with the airbase at North Weald.

A breakdown of amounts held in specific funds for restricted, unrestricted and designated purposes is shown in note 18 of the financial statements.

Income Generation
Our regular sources of income continued to recover, with donations and collection tins up by £414k (28.4%) from last year and are now back to pre-pandemic levels. Retail income from our charity shops continued to grow and was up £240k (34%), with events income also up £37k (30%). Lottery sales were flat as we saw lottery growth stall with new players simply replacing those cancelling their memberships. Reported total group income (incoming resources) increased in total by £2.1m (13.6%) over the previous year. In addition to the increases in donations and charity shop income already highlighted, this included particularly strong legacy income in the year, which at £3.4m was up over £1m on the previous year.

Resources Expended
Total group expenditure (resources expended) increased by £1.9m (14.9%) in the year. This was mainly driven by increased expenditure on Charitable Activities, including the introduction of NVIS which meant additional training costs together with an increase in helicopter operating hours over the winter months. We also saw cost inflation particularly impacting aviation fuel costs earlier in the year and other ongoing helicopter flying time and service costs. The year also saw recruitment and expenditure start for the Centre for Excellence initiative which was minimal in 2021/22.

Performance Summary
Increases in income meant that despite the cost increases detailed above, the operating surplus was maintained at £3.7m, up slightly on the previous year.

Our net cash balances and investments at the year end were £36.3m, up £1.6m from last year.

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

Reserves Policy

Unrestricted reserves are freely available to be spent on any of the Charity's purposes; these amounts are contained within the General Fund. In this context, reserves exclude tangible fixed assets held for the Charity's use. The Trustees aspire to hold between 12 and 24 months of total expenditure in unrestricted general reserves to safeguard the operation of the service should our income fail or in the event of an unexpected eventuality. Current unrestricted general reserves represent 16 months' forecast total expenditure. Taking into account the continuing economic uncertainty coupled with the current strategy to expand both service delivery and related fundraising activities significantly in the medium term, the Trustees consider the current levels of reserves to be appropriate in ensuring the Charity remains robust – and can continue to operate during this period of great uncertainty. The uncertainty over future income streams and increased expenditure brought about by the coronavirus pandemic, sudden higher inflation and the invasion of Ukraine have demonstrated the importance of a robust reserves policy to protect the Charity. Below is a breakdown of the reserves the Charity has.

	2023	2022
Total reserves	46,881,615	44,418,505
Less:		
Designated reserves	(25,169,097)	(19,238,721)
Restricted reserves	(45,432)	(876,132)
Free reserves	**21,667,086**	**24,303,652**

Investments

Our investment portfolio, managed by abrdn (formerly known as Aberdeen Standard Capital), decreased in market value across the period by £773k, having a market value at the year end of £23.3m. This is a notional loss only; our investments are held for the medium to long term and are made using professional investment advice. We consider the security of our investments, our future funding needs and market returns available for a given level of risk.

Cash reserves of £1.6m were held in two liquidity funds managed by abrdn and £7.5m in a Euro liquidity fund also managed by abrdn. The Euros were purchased when the commitment was made to purchase a second AW169 which will be invoiced in Euros. This was to limit the Charity's exposure to movements in foreign exchange rates between the date of commitment and the final purchase date. The Trustees' treasury management policy is designed to ensure that the primary objectives of safeguarding EHAAT's assets and limiting its risk are balanced with the achievement of a satisfactory return. Security, liquidity and yield are each assessed for their appropriate balance within the application of the treasury policy.

e) Plans for the future

Clinical

Due to the constantly changing nature of medicine, it will come as no surprise that we are regularly reviewing or introducing new equipment or procedures. This is not always as simple as it sounds, and as a group, the Senior Clinical Leadership Team (SCLT) meet to discuss research and create standard operations procedures to support those introductions.

Some of the workstreams currently under review by the team are:

- The introduction of Video Laryngoscopy
- Regional Anesthesia (targeted analgesia)
- Introduction of arterial lines (invasive blood pressure monitoring)
- Reducing the weight of the medical bags (we often land some distance from the scene)
- The neuroprotective bundle
- Post ROSC cardiac arrest management

Operations

The Charity is looking at ways it can extend its coverage by helicopter when the weather conditions deteriorate, through the implementation of a Global Navigation Satellite System (GNSS) approach into Earls Colne. This would allow the helicopters to return to base when cloud or visibility would have ordinarily prevented the flight.

The Charity is also consulting with other local air ambulance charities to help improve the availability of night hospital helipads in the region, as there are currently no Major Trauma Centres that can be accessed by helicopter at night within the Essex and Hertfordshire region. The current number of hospital helipads that can be used at night within the region is very limited. The Charity wishes to improve this position, ensuring our patients have access to the same network of hospitals by day or night.

Fundraising

We remain focused on reaching new audiences and increasing the size of our supporter base. This includes driving 25% more traffic to our new website, due to be launched at the start of 2023/24; building our charity shop retail presence in the high street by opening new shops and growing our ecommerce division; establishing a major giving culture beyond the current capital campaign to support the future of the Charity in its objective to diversify income sources; to grow our legacy income with the offer of a free will writing service; attracting more people to visit our airbase Visitor Centres; and continuing to drive the growth of our Lottery, which is how many supporters first join us.

We will aim to obtain communications consent for all new supporters added to our CRM system so that we can effectively keep in touch with as many supporters as possible. For 2023/24, we are planning to hold a Thankathon event when staff, volunteers and Trustees will spend the day calling as many of our supporters as they can to thank them for their support. Moreover, we also plan to attract new supporters and keep existing supporters engaged by combining a variety of exciting fundraising and marketing initiatives. We also recognise the power and potential of digital fundraising and are seeking to further modernise and broaden the way in which we work.

Underpinning all of our work to generate income is our newly established Supporter Care Team, tasked with providing exemplary supporter care in our communications with supporters. Our vision is to create supporter journeys for our different supporter groups that meet their needs and keep them engaged and connected with the Charity.

25th Anniversary
As we approach the Charity's 25th anniversary, plans are underway to celebrate this significant milestone, which will run from June to September 2023. A 25-year logo will be designed to be used on all anniversary collateral, and we will create commemorative flags for each airbase, special window vinyl for our charity shops, as well as 'thank you' stickers, pin badges and other supporting items. The communications team will deliver a targeted mailing with tailored messages to 50,000 contacts. By reflecting on our 25-year journey, celebrating our milestones, and thanking our supporters, we aim to inspire even more people to support our life-saving work.

f) Development of Key Partnerships and Relationships

We continue to work closely with our neighbouring air ambulances, including EAAA, MAGPAS Air Ambulance, London's Air Ambulance, Thames Valley Air Ambulance and Air Ambulance Charity Kent Surrey Sussex, sharing knowledge and operating practices. Our relationship with EEAST continues as we work closely with the new senior management team in post at EEAST.

We continue to work with our colleagues at Anglia Ruskin University in relation to our research programme.

AAUK continue to bring the wider UK Air Ambulance communities together and have launched a new platform for engagement and interaction. The AAUK portal will be a useful tool for sharing information and best practice.

We have also developed a relationship with Essex of University following Jane Gurney's Honorary Doctorate, which has enabled a new partnership for us to help inspire the clinicians of the future.

g) Principal Risks and Uncertainties

The Trust operates a bespoke risk management software system. The Trustees have a risk management approach that comprises:

- An ongoing review of the risks the Charity may face, with risks being entered onto a risk register. The Executive Team reviews risk every month. The register is discussed at least once a year at board meetings and at every Audit & Risk Committee meeting.
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise any potential impact on the Trust should those risks materialise
- Use of a risk management system for all clinical occurrences, reviewed by the Clinical Risk and Safety Committee.

The Trustees consider that the most significant risks to the Charity are the financial impacts of a sustained period of high inflation, financial and operational risks associated with a cyber-attack and reputational risk due to adverse publicity against the Charity or charity sector in general impacting our ability to raise funds.

Trustees' Responsibilities in Relation to the Financial Statements

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company and the 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 Trust and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and the group, and hence taking reasonable steps for theprevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditors are unaware
- As the Trustees of the Charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of the information

Auditors

A resolution will be considered to reappoint Crowe UK LLP as auditors to the Trust for the ensuing year.

Approved by order of the members of the Board of Trustees on 27/9/2023 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST

Opinion

We have audited the financial statements of Essex & Herts Air Ambulance Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

Other information

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 an understanding of the legal and regulatory frameworks within which the company 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, Charities Act 2011 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Weekes (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Riverside House

40 - 46 High Street

Maidstone

Kent

ME14 1JH

Date: 20th December 2023

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and legacies	4	**38,458**	**6,079,756**	**6,118,214**	*4,565,960*
Charitable activities	5	**35,940**	**57,172**	**93,112**	*105,601*
Other trading activities	6	**2,085,425**	**8,713,345**	**10,798,770**	*10,512,847*
Investments	7	-	**618,722**	**618,722**	*334,066*
Total income		**2,159,823**	**15,468,995**	**17,628,818**	*15,518,474*
Expenditure on:					
Raising funds		**419,509**	**4,712,394**	**5,131,903**	*4,932,172*
Charitable activities		**2,558,019**	**6,261,300**	**8,819,319**	*7,205,321*
Total expenditure		**2,977,528**	**10,973,694**	**13,951,222**	*12,137,493*
Operating surplus		**(817,705)**	**4,495,301**	**3,677,596**	*3,380,981*
Net (losses)/gains on investments		-	**(1,214,487)**	**(1,214,487)**	*620,655*
Net (expenditure)/income		**(817,705)**	**3,280,814**	**2,463,109**	*4,001,636*
Transfers between funds	18	**(12,995)**	**12,995**	-	-
Net movement in funds		**(830,700)**	**3,293,809**	**2,463,109**	*4,001,636*
Reconciliation of funds:					
Total funds brought forward		**876,132**	**43,542,373**	**44,418,505**	*40,416,869*
Net movement in funds		**(830,700)**	**3,293,809**	**2,463,109**	*4,001,636*
Total funds carried forward		**45,432**	**46,836,182**	**46,881,614**	*44,418,505*

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 53 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		*2022 £*
Fixed assets					
Intangible assets	12		**3,192**		*11,734*
Tangible assets	13		**19,303,726**		*11,026,987*
Investments	14		**32,437,175**		*31,928,373*
			51,744,093		*42,967,094*
Current assets					
Stocks	15	**16,809**		*29,727*	
Debtors	16	**1,971,645**		*1,093,407*	
Cash at bank and in hand		**3,901,303**		*2,728,805*	
		5,889,757		*3,851,939*	
Creditors: amounts falling due within one year	17	**(10,752,235)**		*(2,400,528)*	
Net current liabilities / assets			**(4,862,478)**		*1,451,411*
Total net assets			**46,881,615**		*44,418,505*
Charity funds					
Restricted funds	18		**45,432**		*876,132*
Unrestricted funds	18		**46,836,183**		*43,542,373*
Total funds			**46,881,615**		*44,418,505*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 27/9/2023 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

The notes on pages 31 to 53 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note		2023 £		*2022 £*
Fixed assets					
Intangible assets	12		**3,192**		*11,734*
Tangible assets	13		**19,303,726**		*11,026,987*
Investments	14		**32,437,179**		*31,928,377*
			51,744,097		*42,967,098*
Current assets					
Stocks	15	**16,809**		*29,727*	
Debtors	16	**4,204,114**		*2,308,755*	
Cash at bank and in hand		**1,086,272**		*1,142,255*	
		5,307,195		*3,480,737*	
Creditors: amounts falling due within one year	17	**(10,169,677)**		*(2,029,330)*	
Net current liabilities / assets			**(4,862,482)**		*1,451,407*
Total net assets			**46,881,615**		*44,418,505*
Charity funds					
Restricted funds	18		**45,432**		*876,132*
Unrestricted funds	18		**46,836,183**		*43,542,373*
Total funds			**46,881,615**		*44,418,505*

The Company's net movement in funds for the year was £2,463,109 *(2022 - £4,001,640)*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 27/9/2023 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

The notes on pages 31 to 53 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	*2022* *£*
Cash flows from operating activities		
Net cash generated in operating activities	**2,294,200**	*4,795,849*
Cash flows from investing activities		
Dividends, interests and rents from investments	**618,722**	*334,066*
Proceeds from the sale of tangible fixed assets	**-**	*19,000*
Purchase of tangible and intangible assets	**(1,176,520)**	*(798,678)*
Proceeds from sale of investments	**16,084,537**	*6,924,395*
Purchase of investments	**(16,648,441)**	*(11,817,522)*
Net cash used in investing activities	**(1,121,702)**	**(5,338,739)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**1,172,498**	**(542,890)**
Cash and cash equivalents at the beginning of the year	**2,728,805**	*3,271,695*
Cash and cash equivalents at the end of the year	**3,901,303**	*2,728,805*

The notes on pages 31 to 53 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Essex and Herts Air Ambulance Trust is a company limited by guarantee (registered number 05397840) which is incorporated and domiciled in England. It is also registered as a charity with the Charity Commission (registered number 1108989). The address of the registered office is The Business Centre, Earls Colne Business Park, Earls Colne Colchester, Essex, CO6 2NS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the going concern assertion by assessing the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2. Accounting policies (continued)

2.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset being transferred to the charity. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Goods donated for resale are included in the accounts when the items are sold.

The Charity receives grants in respect of furthering its charitable activities. Income from grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2. Accounting policies (continued)

2.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations, costs of trading activities and the running of fundraising events during the reporting period; and
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Salary costs are attributed to projects based on direct salary costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources. All costs were allocated on the basis of staff time, with the exception of property costs which were allocated by areas used.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.5 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	-	25 % straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	-
Short-term leasehold property	- Straight line over the length of the lease
Helicopter	- 20 years straight line
Motor vehicles	- 2-4 years straight line
Fixtures and fittings and computer equipment	- 2-4 years straight line
Assets under construction	- Nil
Clinical equipment	- 3-4 years straight line

2. Accounting policies (continued)

2.8 Investments

The investments held by the charity are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The statement of financial activities includes the net gains and losses on revaluation and disposals throughout the year.

Current asset investments are short term deposits and are held at face value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2. Accounting policies (continued)

2.15 Pensions

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

2.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

The following judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements:

Critical accounting estimates and assumptions:

- Depreciation rates for tangible fixed assets
- Residual value and useful life of helicopter

Critical areas of judgment:

- Income recognition of legacies and grants

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

4. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	38,458	1,741,878	**1,780,336**
Legacies	-	3,371,274	**3,371,274**
In-memoria	-	355,592	**355,592**
Collection Tins	-	90,500	**90,500**
Donated services	-	520,512	**520,512**
	38,458	6,079,756	**6,118,214**

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total funds 2022 £*
Donations	*38,774*	*1,329,480*	*1,368,254*
Legacies	-	*2,325,985*	*2,325,985*
In-memoria	-	*310,111*	*310,111*
Collection Tins	-	*88,930*	*88,930*
Donated services	-	*472,680*	*472,680*
	38,774	*4,527,186*	*4,565,960*

5. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Grant-making trusts	35,940	57,172	**93,112**

5. Income from charitable activities (continued)

	Restricted funds 2022	*Unrestricted funds 2022*	*Total funds 2022*
	£	£	£
Grant-making trusts	*18,353*	*87,248*	*105,601*

6. Income from other trading activities

Income from non charitable trading activities

	Restricted funds 2023	**Unrestricted funds 2023**	**Total funds 2023**
	£	£	£
Income from lottery	2,085,425	7,581,120	**9,666,545**
Fundraising events	-	159,128	**159,128**
Merchandise sales	-	22,307	**22,307**
Charity shop income	-	949,290	**949,290**
Other	-	1,500	**1,500**
	2,085,425	8,713,345	**10,798,770**

	Restricted funds 2022	*Unrestricted funds 2022*	*Total funds 2022*
	£	£	£
Income from lottery	*9,666,594*	-	*9,666,594*
Fundraising events	-	*122,150*	*122,150*
Merchandise sales	-	*14,332*	*14,332*
Charity shop income	-	*709,771*	*709,771*
	9,666,594	*846,253*	*10,512,847*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Dividends	616,583	**616,583**
Interest	2,139	**2,139**
	618,722	**618,722**

	Unrestricted funds 2022 £	*Total funds 2022 £*
Dividends	*334,066*	*334,066*

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Helicopter Emergency Medical Service	7,821,234	998,085	**8,819,319**

	Activities undertaken directly 2022 £	*Support costs 2022 £*	*Total funds 2022 £*
Helicopter Emergency Medical Service	*6,506,181*	*699,140*	*7,205,321*

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	*Total funds 2022 £*
Depreciation	**828,448**	*702,809*
Helicopter and Rapid Response Vehicle	**3,743,268**	*2,852,196*
Clinical costs	**2,712,878**	*2,576,636*
Airbase premises costs	**398,818**	*374,540*
Centre for Excellence	**137,821**	-
Total 2023	**7,821,233**	*6,506,181*

Analysis of support costs

	Total funds 2023 £	*Total funds 2022 £*
Staff costs	**787,442**	*531,900*
Operations and support costs	**101,021**	*96,998*
Other employment costs	**90,714**	*53,470*
Governance costs	**18,909**	*16,772*
	998,086	*699,140*

9. Governance costs

	2023 £	*2022 £*
Auditors' remuneration	**32,000**	*28,500*
Trustees meetings	**893**	*2,147*
Trustee indemnity insurance	**1,962**	*1,962*
Legal, consultancy and other fees	**(705)**	*(768)*

10. Staff costs

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Wages and salaries	**2,452,828**	*1,789,694*	**2,452,828**	*1,789,694*
Social security costs	**246,398**	*172,764*	**246,398**	*172,764*
Contribution to defined contribution pension schemes	**140,602**	*110,508*	**140,602**	*110,508*
	2,839,828	*2,072,966*	**2,839,828**	*2,072,966*

The average number of persons employed by the Company during the year was as follows:

	Group 2023 No.	*Group 2022 No.*
Charitable activities	**12**	*8*
Raising funds	**31**	*28*
Lottery	**3**	*3*
Retail	**26**	*25*
	72	*64*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	*Group 2022 No.*
In the band £70,001 - £80,000	**3**	-
In the band £80,001 - £90,000	**1**	-
In the band £90,001 - £100,000	**1**	*1*
In the band £120,001 - £130,000	**-**	*1*
In the band £130,001 - £140,000	**1**	-

The total amount of employee benefits received by key management personnel is £715,807 (2022 - £459,294). This includes bonus amounts earned but not yet paid. The charity considers its key management personnel to be the Trustees and the Executive Team as listed in the charity information page.

There was an amount due at the year end to one member of Key Management Personnel of £17,500 (2022 - £17,500).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 March 2023, Trustee expenses of £151 *(2022 - £NIL)* have been incurred.

12. Intangible assets

Group and Company

	Computer software £
Cost	
At 1 April 2022	**115,893**
At 31 March 2023	**115,893**
Amortisation	
At 1 April 2022	**104,159**
Charge for the year	**8,542**
At 31 March 2023	**112,701**
Net book value	
At 31 March 2023	**3,192**
At 31 March 2022	*11,734*

13. Tangible fixed assets

Group and Company

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2022	**5,569,969**	**7,055,314**	**433,268**	**458,136**	**650,793**	**14,167,480**
Additions	**278,662**	**8,649,421**	**-**	**235,036**	**-**	**9,163,119**
At 31 March 2023	**5,848,631**	**15,704,735**	**433,268**	**693,172**	**650,793**	**23,330,599**
Depreciation						
At 1 April 2022	**593,687**	**1,627,324**	**294,294**	**200,245**	**424,943**	**3,140,493**
Charge for the year	**254,033**	**354,023**	**57,256**	**135,699**	**85,369**	**886,380**
At 31 March 2023	**847,720**	**1,981,347**	**351,550**	**335,944**	**510,312**	**4,026,873**
Net book value						
At 31 March 2023	**5,000,911**	**13,723,388**	**81,718**	**357,228**	**140,481**	**19,303,726**
At 31 March 2022	*4,976,282*	*5,427,990*	*138,974*	*257,891*	*225,850*	*11,026,987*

Plant and machinery includes Assets Under Construction of £8,645,940 (2022: £nil).

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2022	**31,928,373**
Additions	**16,648,441**
Disposals	**(16,084,537)**
Revaluations	**(763,314)**
Dividends retained	**520,446**
Foreign exchange movement	**187,766**
At 31 March 2023	**32,437,175**
Net book value	
At 31 March 2023	**32,437,175**
At 31 March 2022	*31,928,373*

14. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2022	**4**	**31,928,373**	**31,928,377**
Additions	**-**	**16,648,441**	**16,648,441**
Disposals	**-**	**(16,084,537)**	**(16,084,537)**
Revaluations	**-**	**(763,314)**	**(763,314)**
Dividends retained	**-**	**520,446**	**520,446**
Foreign exchange movement	**-**	**187,766**	**187,766**
At 31 March 2023	**4**	**32,437,175**	**32,437,179**
Net book value			
At 31 March 2023	**4**	**32,437,175**	**32,437,179**
At 31 March 2022	*4*	*31,928,373*	*31,928,377*

15. Stocks

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Finished goods and goods for resale	**16,809**	*29,727*	**16,809**	*29,727*

16. Debtors

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Due within one year				
Trade debtors	**4,067**	*8,290*	**4,067**	*8,290*
Amounts owed by group undertakings	**-**	*-*	**2,255,865**	*1,246,568*
Other debtors	**716**	*694*	**510**	*460*
Prepayments and accrued income	**278,922**	*341,367*	**255,732**	*310,381*
Tax recoverable	**106,332**	*115,410*	**106,332**	*115,410*
Legacy Debtor	**1,581,608**	*627,646*	**1,581,608**	*627,646*
	1,971,645	*1,093,407*	**4,204,114**	*2,308,755*

17. Creditors: Amounts falling due within one year

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Trade creditors	**618,187**	*357,446*	**619,515**	*344,008*
Amounts owed to group undertakings	**-**	*-*	**-**	*213,398*
Other taxation and social security	**71,442**	*48,516*	**71,442**	*48,516*
Other creditors	**560,804**	*538,209*	**3,673**	*2,879*
Accruals and deferred income	**9,501,802**	*1,456,357*	**9,475,047**	*1,420,529*
	10,752,235	*2,400,528*	**10,169,677**	*2,029,330*

	Group 2023 £	*Group 2022 £*
Deferred income at 1 April 2022	**506,836**	*479,095*
Resources deferred during the year	**516,360**	*506,836*
Amounts released from previous periods	**(506,836)**	*(479,095)*
	516,360	*506,836*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Fixed asset fund	11,038,721	-	(894,922)	9,163,119	-	19,306,918
Helicopter fund	7,200,000	-	-	(7,200,000)	-	-
Centre of excellence	1,000,000	-	(137,821)	-	-	862,179
Designation for expendable endowment	-	-	-	5,000,000	-	5,000,000
	19,238,721	-	(1,032,743)	6,963,119	-	25,169,097
General funds						
General Funds - all funds	24,303,652	15,468,996	(9,940,951)	(6,950,124)	(1,214,487)	21,667,086
Total Unrestricted funds	43,542,373	15,468,996	(10,973,694)	12,995	(1,214,487)	46,836,183
Restricted funds						
Restricted Fund	876,132	2,159,823	(2,977,528)	(12,995)	-	45,432
Total of funds	44,418,505	17,628,819	(13,951,222)	-	(1,214,487)	46,881,615

18. Statement of funds (continued)

The designated funds for the new helicopter are the anticipated costs of purchasing the new helicopter airframe only. £1m has been designated for expenditure on our Centre for Excellence initiative less expenditure incurred in the current year.

Of the restricted funds, £29,572 (2022 - £nil) represent the funds received from the "Future Fleet" appeal. The remaining funds represent funds received from donors for the purchase of scanning equipment and vehicles.

EHAAT operates in a high-risk environment using cutting edge procedures and technologies in order to move and act fast to save lives. Without regular and continued support our service simply could not run. As part of a plan to commit to the long term sustainability of the charity, the Trust is currently in the process of creating a separate expendable endowment fund using a formal trust deed. £5m has been designated in anticipation of the creation of this fund. This is with the intention the fund will be separately invested for the long term to deliver a stream of investment income to support our services for generations to come.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2022* £
Unrestricted funds						
Designated funds						
Fixed asset fund	*11,012,200*	-	*(772,153)*	*798,674*	-	*11,038,721*
Helicopter fund	-	-	-	*7,200,000*	-	*7,200,000*
Centre of excellence	-	-	-	*1,000,000*	-	*1,000,000*
	11,012,200	-	*(772,153)*	*8,998,674*	-	*19,238,721*
General funds						
General Funds - all funds	*27,779,586*	*5,794,753*	*(1,487,992)*	*(8,403,350)*	*620,655*	*24,303,652*
Total Unrestricted funds	*38,791,786*	*5,794,753*	*(2,260,145)*	*595,324*	*620,655*	*43,542,373*
Restricted funds						
Restricted Fund	*1,625,083*	*9,723,721*	*(9,877,348)*	*(595,324)*	-	*876,132*
Total of funds	*40,416,869*	*15,518,474*	*(12,137,493)*	-	*620,655*	*44,418,505*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	19,303,726	**19,303,726**
Intangible fixed assets	-	3,192	**3,192**
Fixed asset investments	-	32,437,175	**32,437,175**
Current assets	45,432	5,844,325	**5,889,757**
Creditors due within one year	-	(10,752,235)	**(10,752,235)**
Total	45,432	46,836,183	**46,881,615**

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	-	*11,026,987*	*11,026,987*
Intangible fixed assets	-	*11,734*	*11,734*
Fixed asset investments	-	*31,928,373*	*31,928,373*
Current assets	*876,132*	*2,975,807*	*3,851,939*
Creditors due within one year	-	*(2,400,528)*	*(2,400,528)*
Total	*876,132*	*43,542,373*	*44,418,505*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	*Group 2022 £*
Net income for the year (as per Statement of Financial Activities)	**2,463,109**	*4,001,636*
Adjustments for:		
Depreciation and amortisation charges	**894,922**	*772,153*
Losses/(gains) on investments	**55,103**	*(786,682)*
Dividends, interests and rents from investments	**(618,722)**	*(334,066)*
Loss/(profit) on the sale of fixed assets	**-**	*(19,000)*
Decrease in stocks	**12,918**	*5,575*
Decrease/(increase) in debtors	**(878,238)**	*355,383*
Increase in creditors	**365,108**	*800,850*
Net cash provided by operating activities	**2,294,200**	*4,795,849*

21. Analysis of cash and cash equivalents

	Group 2023 £	*Group 2022 £*
Cash in hand	**3,901,303**	*2,728,805*
Total cash and cash equivalents	**3,901,303**	*2,728,805*

22. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	**2,728,805**	**1,172,498**	**3,901,303**
	2,728,805	**1,172,498**	**3,901,303**

23. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £140,602 (2022 - £110,508). Contributions totalling £3,606 (2022 - £2,792) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	*Group 2022 £*	**Company 2023 £**	*Company 2022 £*
Land, buildings and helicopter				
Not later than 1 year	**2,962,989**	*2,422,009*	**2,962,989**	*2,422,009*
Later than 1 year and not later than 5 years	**9,482,869**	*9,412,866*	**9,482,869**	*9,412,866*
Later than 5 years	**2,987,306**	*3,896,614*	**2,987,306**	*3,896,614*
	15,433,164	*15,731,489*	**15,433,164**	*15,731,489*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Company 2023 £	*Company 2022 £*
Land and building lease costs	**369,102**	*373,869*
Helicopter lease costs	**2,545,600**	*1,970,306*

25. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

D Hayward is a Trustee of the Charity and is also a partner in a firm of solicitors, Nockolds. During the year the Charity purchased legal services from Nockolds, amounting to £20,202 including VAT (2022 - £15,167). There was £13,686 outstanding at the year end (2022 - £12,627).

Other than the above and the transactions identified within Note 11, there have been no other related party transactions.

26. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
Essex and Herts Flight For Life Lottery Limited	04269794	Same as parent company - see company information page	Ordinary	100%	Yes
Essex & Herts Air Ambulance Trading Limited	03739217	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Operations Limited	11995048	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Critical Care Limited	11995133	Same as parent company	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Essex and Herts Flight For Life Lottery Limited	**7,581,121**	**1,196,824**	**6,384,297**	**2**
Essex & Herts Air Ambulance Trading Limited	**52,815**	**14,265**	**25,613**	**2**
*Essex & Herts Flight For Life Lottery Operations Limited	**1,532,192**	**228,530**	**1,303,662**	**2**
*Essex & Herts Flight For Life Lottery Critical Care Limited	**553,233**	**185,109**	**368,124**	**2**

*indirect subsidiaries

ESSEX & HERTS AIR AMBULANCE TRUST

England & Wales - Charity number 1108989

Accounts

Registered number: 05397840
Charity number: 1108989

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

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ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Jonathan Trower, Chairman Darren Hayward Annalisa Ridsdill Smith Ramzi Freij Clive Gilham Roy Marfleet Claire Smith Andrew Tunningley Ellisa Estrin (Appointed 23/03/22)
Company registered number	05397840
Charity registered number	1108989
Registered office	Flight House, The Business Centre, Earls Colne Business Park Earls Colne Colchester Essex CO6 2NS
Website address	www.ehaat.org
Company secretary	Brenda Playford
Executive Team	Jane Gurney – Chief Executive Officer Neil Durge – Medical Director Peter Sherren – Assistant Medical Director Stuart Elms – Clinical Director (until 07/10/21) Cliff Gale – Operations Director Pam Withrington – Fundraising and Marketing Director Jonathan Ager – Finance Director
Independent auditor	Crowe U.K. LLP Riverside House 40 – 46 High StreetMaidstone Kent ME14 1JH
Bankers	Barclays Bank Plc 40 High Street Chelmsford Essex CM1 1 BE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Solicitors	Nockolds LLP Market Square Bishop's Stortford CM23 3UZ
Investment manager	Aberdeen Standard Capital Bow Bells House 1 Bread Street EC4M 9HH

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

Chairman's Introduction

I am pleased to report that despite the considerable and ongoing challenges throughout the year caused by the COVID-19 pandemic, Essex & Herts Air Ambulance Trust successfully navigated the Year to 31st March 2022. The continuing clinical, operational and fundraising challenges brought about by the pandemic were all met, demonstrating the operational resilience of the Charity. In an ever-changing environment, a flexible and agile approach to our working practices across all areas of the Charity has ensured that we continued to operate safely and effectively for our patients.

The Charity provides a free-of-charge, pre-hospital emergency clinical service across Essex and Hertfordshire. Consequently, many of our staff have been on the front line of the COVID-19 crisis. The fact that we have continued to save lives so effectively in such difficult circumstances is a tribute to the skill of our clinical teams and pilots and the hard work of all who support them.

The table below details the number and types of incidents we attended during the year, up 9.2% on the previous year

	2022	2021
Medical Emergency	958	917
Road Traffic Collision	539	472
Other Trauma	895	913
Other Mission Types	162	36
Total	2,554	2,338

The year to 2022 has seen the slow recovery of the Charity's community and corporate fundraising, both of which were adversely affected by the COVID-19 pandemic. For the second year running, fundraising events had to be cancelled, but we became more adept at hosting events virtually. Canvassing for both the Lottery and our Regular Giving programme was able to recommence, and our charity shops were able to re-open, having been closed for long periods of the previous year in accordance with Government guidelines.

With over 100 guests in attendance, we opened our new state-of-the-art airbase at North Weald on 19th October 2021, marking a milestone in the Charity's history. In addition to outstanding operational and clinical facilities we now have areas for training, mentoring, patient liaison and fundraising, including an interactive visitor centre. We can welcome and engage with the local community, showcasing the vital work of our critical care team. This year was the first full year of operating from our new airbase and it is proving to be a great asset for the Charity both from an operational and fundraising perspective. In March 2022, the North Weald Airbase hosted a visit by Their Royal Highnesses The Earl and Countess of Wessex, together with other emergency service organisations from across the region, enabling Their Royal Highnesses to say thank you to these organisations for their outstanding hard work throughout the pandemic. During their tour, Their Royal Highnesses met members of EHAAT's critical care team, charity staff and volunteers. They also spent time with representatives from local hospitals in the region as well as with airlifted patients and their families.

Each year the Trustees and Executive Team hold a Strategy Day when we consider the future strategic direction of the Charity. This year witnessed the creation of our new Centre for Excellence concept with a vision to create a world-leading community through which pre-hospital care is developed to achieve the best outcome for people in our region and beyond. This exciting initiative will expand our range of expertise and resources requiring considerable investment in the future. The Trustees have designated £1m of reserves for this important project.

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Negotiations commenced during the year for the acquisition of a second AW169 helicopter. A contract was signed subsequent to the year end in May 2022, at the same time we agreed with Specialist Aviation Services Ltd (SAS), the current operators of our aircraft, that we would work towards holding our own Air Operating Certificate in the medium term. All of this will secure the long-term future of this Charity for the benefit of the people of Essex and Hertfordshire, but requires substantial expenditure and will only be possible if we continue to build our resources and enhance the financial strength of the Charity.

Following the introduction in 2019 of carrying blood products, we will be actively involved in the SwiFT Whole Blood Trial which will start recruiting patients in September 2022. This is a andomized controlled trial of pre-hospital whole blood versus standard care (separate blood components: packed red cells and plasma) for the resuscitation of patients with life-threatening haemorrhages. We are undertaking the trial along with nine other air ambulances.

I am pleased to report that EHAAT yet again demonstrated our financial resilience during the year culminating in an Operating Surplus of £3.4m resulting in overall reserves of £44.4m at the year end. We continue to be well supported by the people of Essex and Hertfordshire in spite of the enormous challenges faced by everyone. Our reserves comprise both restricted reserves and unrestricted reserves. Unrestricted reserves are available to be spent on any of the Charity's purposes. Unrestricted reserves include both designated reserves and free reserves.

Due to the life-saving nature of our work, the Trustees take a cautious approach with regards to reserves, as closure of the service would be potentially catastrophic to the public we serve. Our Reserves Policy is to hold between 12 and 24 months of free reserves to safeguard the operation of our service for a prolonged period of time should our income fail as a consequence of an unexpected eventuality.

At the year end, sufficient free reserves were held to fund 19 months of forecast expenditure. This excludes £7.2m of reserves designated towards future helicopter procurement and also excludes the £1m designated for the Centre for Excellence. EHAAT is committed to increasing the diversification of its income sources to ensure a robust financial model which secures its service for the long term. A key aspect of this is to grow an endowment fund which will deliver a new stream of investment income and offer additional security to the Charity into the future. The endowment fund will provide a particularly appropriate way of stewarding generous legacy gifts received by EHAAT with the goal of supporting the Charity for generations to come.

The reserves policy is reviewed annually by the Trustees to ensure that any new or changed legislation or guidance is incorporated and to take into account any changes in the circumstances of the Charity.

I remain extremely proud of how our teams across all areas of the Charity's activities have continued to respond to the ever-changing challenges of the last year. Therefore, on behalf of the Trustees, I would like to thank the Executive Directors for the leadership which they have shown; to thank our team, across all areas of the Charity's activities, for their dedication, enthusiasm and hard work in often difficult circumstances; and to thank our volunteers and supporters, whose interest and commitment has remained undiminished throughout a second year when much of their normal work on our behalf has been curtailed.

Finally I would also like to give my personal thanks to my fellow Trustees for their support and hard work over the last year when again, the Charity has made a much greater call on their time than it would do normally, and to welcome Ellisa Estrin to the Board of Trustees. Ellisa has extensive charitable experience particularly in the field of fundraising.

Jonathan Trower
Chairman
Date:

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Within the Trustees' Report is the Strategic Report, required under Section 414c(11) of the Companies Act 2011.

1. Structure, Governance and Management

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the Group for the year ended 31 March 2022. The Board confirms that the Trustees' Report and financial statements of the Group comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in July 2014 (FRS102 SORP 2015).

a) Governing Document

Essex & Herts Air Ambulance Trust (EHAAT or the Charity) is a company limited by guarantee and was incorporated on 18th March 2005. It is governed by its Memorandum and Articles of Association which was last amended on 22nd March 2018. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Member (the members being the Trustees).

b) Appointment of Trustees

Trustees are selected by reference to a matrix of skills and experience that has been established to ensure that the Charity's objectives can be met. The matrix includes clinical, budgeting and finance, legal, fundraising, marketing, commercial sales, public relations, IT, HR management, community and voluntary sector expertise, risk and strategic planning.

New Trustees are given an induction pack at an orientation meeting to brief them on both the charity and on their legal obligations under charity and company law. It includes the Articles of Association, a Duties of Charity Trustees booklet, and strategic and business plans. We also arrange for them to meet the CEO, Executive Team and the wider staff spending a day at the head office. Trustees are given specific Charity information as well as external training. We have also recently introduced an informal "buddy" system which allows new Trustees to have support and guidance from more experienced members of the Board as required.

There is currently no upper limit to the time that an individual can be a Trustee, but one-third of all Trustees are required to retire by rotation each year and, if willing to continue, offer themselves for re-election.

c) Values

Our actions are guided by our values – **passionate** in going the extra mile; **professional** in treating everyone as they would wish to be treated; **innovative** in driving forward best clinical practice; **trustworthy** in working openly and honestly and **dedicated** because we care about the cause, our patients and each other; and **inclusive** in treating everyone in the way which we ourselves would like to be treated.

d) Organisation

The Board of Trustees which governs the Charity can have up to twelve members — there are currently nine Trustees with a quorum requirement of five at all meetings. The Board met five times during the period under review. The Trustees delegate the day-to-day management of the Charity to an Executive Team by means of a formal Scheme of Delegation. Committees comprised of both Trustees and Executive Team members are established where necessary to advise the Board on various strategic matters, and there were five in operation during this financial year. These included the ongoing committees covering Investments, Audit and Risk, Retail and Nominations. A new committee was formed during the year, the Clinical Committee, to provide an oversight function and support the clinical strategy.

Committee/Group	Trustees
Investment Advisory Committee	Andrew Tunningley (Chair), Jonathan Trower, Clive Gilham
Audit and Risk Committee	Clive Gilham (Chair), Andrew Tunningley, Roy Marfleet
Nominations Committee	Darren Hayward (Chair), Jonathan Trower, Annalisa Ridsdill Smith
Retail Advisory Committee	Claire Smith (Chair), Annalisa Ridsdill Smith, Roy Marfleet
Clinical Committee	Ramzi Freij (Chair), Jonathan Trower, Ellisa Estrin

e) Pay policy for senior staff

The Trustees consider that the Board of Trustees and the Executive Team (as detailed on page 1) comprise the key management personnel of the Charity. Trustees are not remunerated. The pay, related policies and annual remuneration of the Chief Executive Officer are decided by the Trustees, whilst the pay for the remainder of the Executive Team is decided by the Chief Executive Officer after consultation with the Trustees.

When setting remuneration levels, the Charity aims to strike a balance between market-appropriate pay, the need to attract and retain people with the necessary skills we require, and the public's and our donors' expectations that the money which they entrust us with will be used wisely to provide a first-class helicopter emergency medical service.

It is central to achieving our objectives that the Charity can attract and retain high-performing senior leadership. Remuneration may vary depending on the job type, its complexity and the range of activities undertaken. It is validated objectively using market comparators such as salary survey data from charitable, private and public sectors as required. Independent advice from suitable third-party professionals is also sought where deemed to be necessary, coupled with benchmarking against comparable Air Ambulance charities and other third sector organisations.

We are committed to fairness in our remuneration practices and follow these guiding principles:

- Proportionality – fairness and consistency in line with appropriate benchmarks
- Rewarding Performance – ensuring an individual's remuneration is commensurate to their performance and personal contribution to the charity
- Recruitment and Retention – enabling us to attract and retain valued staff
- Expertise and Experience – is appropriate for the role
- Transparency – openness and clear communication about the process undertaken when setting remuneration levels across the organisation

When setting remuneration levels, the Trustees are cognisant of the requirement to apply funds raised to best meet our charitable objectives. The Trustees are confident that the current level of reward has enabled the Charity to recruit and retain a strong committed leadership team in order to deliver these objectives for the Charity and those it serves.

f) Structure

The Charity has four wholly-owned subsidiaries: Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited. The principal activities are to operate weekly lotteries together with raffles and to account for the Charity's trading activities respectively. The profits of all companies are donated to the Charity under a Deed of Covenant.

g) Code of Governance

The Trustees look to promote good governance throughout the Charity, continuing to ensure we operate, where applicable, in line with best practice as set out in the Charity Code of Governance. During the 2020-21 financial year, as part of this process, EHAAT had engaged a specialist to perform a Board Effectiveness Review to consider its activity and function. The Trustees were reassured that the Charity already met the majority of recommended practice detailed in the Code and are making progress on areas identified where improvements could be made. The latest update to the Code has expanded best practice with regard to diversity and inclusivity, so the Board is focused on expanding its own policies and practices to further ensure that obstacles to participation are reduced and reflect different perspectives, experiences and skills.

h) Related Parties

Trustees and members of the Executive Team are the people who can control or significantly influence our Charity, and so they disclose their interests in a register which is reviewed annually by the Board of Trustees as a whole. In addition, there are occasional transactions which directly involve individual Trustees, and when Trustees consider these arrangements, the relevant Trustee leaves the Board Meeting for such business. All such transactions which arose during this financial year are disclosed in this annual report within Note 26.

2. Objectives and Activities

a) Objectives

The objective of the Trust is to assist in relieving sickness by the operation of a Helicopter Emergency Medical Service (HEMS) to the counties of Essex and Hertfordshire and surrounding areas. The Trust may also undertake other charitable activities for the relief of sickness consistent with this.

b) Public Benefit

The Trust provides a free of charge, pre-hospital emergency clinical service that assists people in our geographical area, and adjacent areas, with serious illness or injuries and helps save lives. In shaping the objectives of the Trust for the year and planning our activities, the Trustees have considered the Charity Commission’s guidance on public benefit.

c) Activities

Essex & Herts Air Ambulance, unlike the NHS emergency services, is a charity providing a HEMS for the critically ill and injured of Essex, Hertfordshire and surrounding areas. Our fundraising activities are planned to optimise our income to fund this life-saving service and build the Charity's brand awareness. Transparency and good governance are recognised as being essential to maintain the trust and support of members of the public and their resulting financial generosity.

3. Strategic Report

Achievements and Performance

a) Operations

The Charity's owned AW169 helicopter has been in operation for five years and continues to demonstrate itself as a stable, modern platform enabling the Pre-hospital Care Doctors and Critical Care Paramedics to provide the best possible clinical care and treatment for our patients. The leased MD902 helicopter carries identical aircrew and equipment to mirror the same life-saving care provided in the AW169. Both aircraft are maintained by SAS, who also provide the pilots and co-pilots

SAS has been providing helicopters, pilots and aircraft maintenance for the emergency services for over 35 years and is recognised as one of the leaders in the industry. SAS and representatives of the Charity meet twice a year to formally review the contract arrangements and ensure compliance. We have been trading with SAS since 2008, but we monitor the industry more widely to ensure that we continue to receive value for money for a safe, secure and high-quality service.

We operate from our airbases at Earls Colne and North Weald airfields, where we ensure a safe working environment which complies with stringent Civil Aviation Authority (CAA), Care Quality Commission (CQC) and Health and Safety requirements. This operating structure enables us to be more effective and has many cost-saving benefits for the Charity too. Our service is operational seven days a week. Each base works a twelve-hour helicopter shift when daylight hours allow. When daylight hours are reduced, the shift continues in a rapid response vehicle (RRV). Both the airbases and the flying operation are regularly inspected and audited by the CAA to ensure compliance with regulations and safety. The four RRVs, all Volvo XC90s, are specially equipped to support our HEMS operation. Two are located at each airbase and are used when the helicopter is unavailable due to weather, daylight limitations or helicopter maintenance. An additional night RRV shift is provided at North Weald, which means the airbases work together to provide optimum cover for both counties and surrounding areas 24 hours every day of the year. The year saw the introduction of two hybrid RRVs with the intention to replace the remaining two vehicles with a similar specification during the next year

The new airbase at North Weald and upgraded facility at Earls Colne have proven to be superior environments to work, train and deliver the service, as well as help in reducing our carbon footprint due to the modern design and materials used. They have also improved the rest facilities available to the crew, aiding their wellbeing.

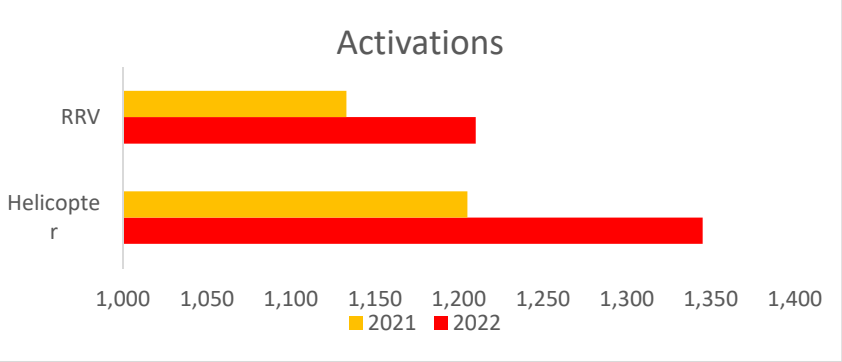
Our partnership working with the East of England Ambulance Service Trust (EEAST) continues to strive for effective tasking (activation) of the clinical crews 24/7 through the Clinical Coordination Desk (CCD). The CCD is responsible for the tasking of all specialist assets, including helicopters, across the East of England region. The Critical Care Paramedics from our operation form part of the rota that staffs the CCD.

The effectiveness of the tasking continues to be monitored at operations meetings involving the Charity, EEAST, and our neighbouring air ambulances, MAGPAS and East Anglian Air Ambulance. It is also subject to a monthly 'key performance indicator' (KPI) monitored by the Trustees.

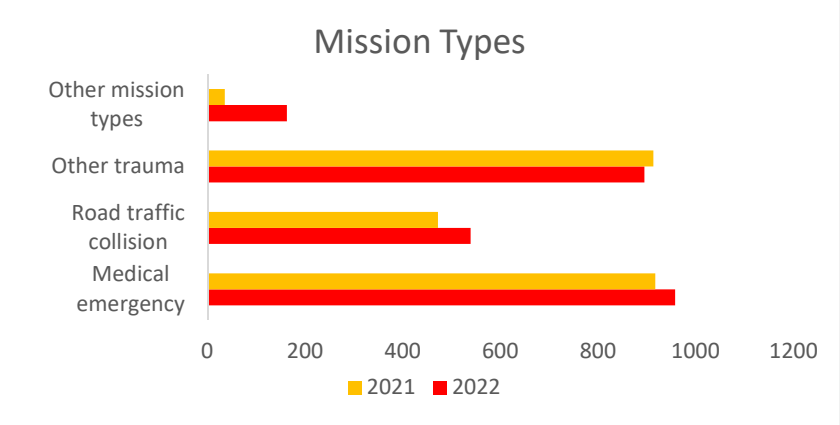
The COVID-19 pandemic has continued throughout this year which has resulted in the additional safety measures being maintained. These included operational and aircraft modifications to ensure crew safety. These are monitored on an ongoing basis and changed or upgraded where necessary to provide the best protection for personnel. As the pandemic restrictions began to ease, we saw an increase in activations. The charts below show a comparison to the previous year. Helicopter activations have increased by 11.6%, RRV's 6.8% and overall 9.3%.

Operational performance data provides the following results:

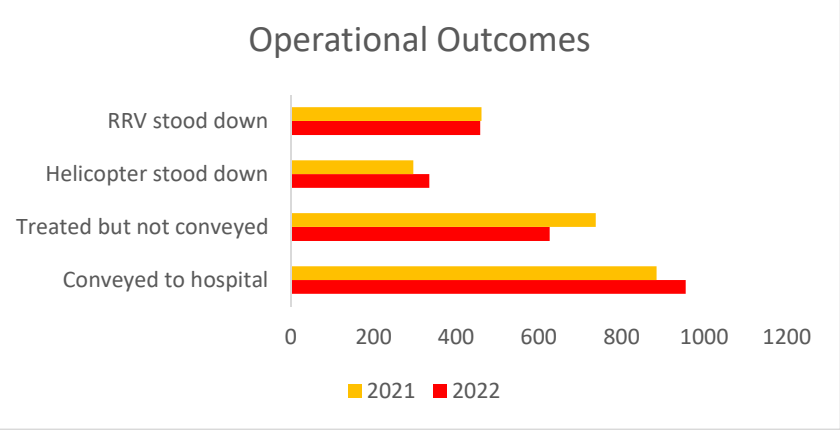
Activations



Mission types



Operational outcomes



Carbon Footprint

Following the engagement of a specialist carbon consultant to calculate the Charity's carbon footprint for the year 2019-20, a similar report was commissioned for the year 2020-21. As a result of the recommendations of that report, those measures which could be implemented immediately have been introduced, including;

- Electric vehicle charging points installed at both airbases and Charity headquarters
- CEO company vehicle changed to a hybrid model
- Two remaining RRVs due for replacement in 2022 will be hybrid
- Telematics installed on all vehicles to monitor driving efficiency and safety
- Policy decision for hybrid or all-electric vehicles to be considered when other Charity vehicles are due for replacement

Those recommendations which will take longer to implement are now works in progress, including;

- Switching to green energy tariffs for electricity supplies when the existing contract for supply finishes in mid 2023
- Modern more efficient heating system to be installed at the Earls Colne airbase
- Investigation into installing solar panels at the Earls Colne airbase
- Participate in a tree planting program
- Monitor progress of aircraft biofuels
- Set specific reduction targets with the objective to be carbon neutral in the future

b) Clinical

Clinical Leadership

With the inevitable disruption as a result of our base improvement programme, changes in personnel and staff rotations, this has been a busy year for the clinical team, all whilst continuing to manage the constantly evolving challenges of the pandemic.

After 11 years with the Charity, Stuart Elms, our Clinical Director, decided to leave us to pursue a development opportunity elsewhere within the Air Ambulance sector. His replacement, Adam Broom, comes to EHAAT, having previously worked for the Thames Valley Air Ambulance for 14 years. He has a proven track record and a wealth of experience within the private and NHS arenas.

Covid-19 Pandemic.

We continued to provide high-level medical care to the people of Essex and Herts throughout the ongoing pandemic, supporting our strategic partners throughout the region. We successfully covered dropped shifts whilst team members were isolating, which was only possible due to the incredible support of our wider clinical team, often at very short notice. At the height of the pandemic, EHAAT were also able to support the NHS by performing critical care transfers, both regionally and nationally. This allowed patients to be moved to hospitals that had the capacity to receive patients with complex clinical needs, ensuring that no one area became overstretched.

The continuing generosity of the general public, together with local businesses and organisations, helped ensure we had sufficient levels of equipment to protect our crew and patients thereby supporting the resilience of our service.

Clinical Service

Both aircraft and our rapid response vehicles continued to be very active across the region. Our teams continued to provide high levels of enhanced care, clinical decision making and patient assessment to our EEAST and LAS colleagues, supporting and enhancing successful patient outcomes.

The night time rapid response vehicle operating from North Weald continues to prove itself as a valuable resource to both our patients and the East of England ambulance service. The number of patients attended continues to grow. In total, it was activated 788 times and treated 500 patients, which represents an increase of 109 activations and an increase of 75 patients treated over the last year. The teams on the night time rapid response vehicle delivered 48 Pre-hospital Emergency Anaesthetics and pre-hospital blood products to 22 patients, a treatment that beforehand would have only been available in hospitals.

Across the service, blood products were administered to 66 patients during this period, and we continue to work closely and in partnership with the National Health Service Blood and transfusion (NHSBT) at Princess Alexandra Hospital in Harlow and the Essex Voluntary Blood Service to deliver a very successful, safe patient care regime.

Emeritus Doctors

The recruitment of Emeritus Doctors has commenced, with a very high volume of applications being received from both former and current doctors. The Emeritus team will allow us to retain the knowledge, skill and expertise of doctors that we have trained during their secondments. They will also provide greater levels of resilience, reducing further the risk of dropped shifts while also underpinning a level of supervision and training for our future cohorts of doctors and paramedics. This will ensure that the world-class levels of care we provide to our patients are maintained into the future. We anticipate that the emeritus doctors will be operational by our third quarter.

Welfare & Support

Team welfare is a key priority for the organisation. As such, a great deal of emphasis is placed on ensuring that not only our clinical team but also the wider charity family is supported as required.

The clinical team can access Trauma Risk Management (TriM) via EEAST. TRiM is a trauma-focused peer support system designed to help people who have experienced a traumatic or potentially traumatic event.

Alongside this, all staff have access to the chaplaincy team, mental first aiders (trained staff within the organisation), wellbeing phone apps, self-directed learning, individual counselling, and team meetings led by a clinical psychotherapist.

Research

This year has seen a number of achievements in research, service evaluation and audit activity. These include:

- Submission of a paper reporting a quality improvement project entitled 'A psychological resilience briefing intervention for Helicopter Emergency Medical Services (HEMS) observers' to the *Air Medical Journal*.
- Completion of the National Delphi Study to establish current research priorities for pre-hospital critical care in the UK. The paper has recently been submitted to the *Emergency Medicine Journal* (May 2022).
- The introduction of Zoho Analytics software within EHAAT will be valuable in supporting our research, service evaluation and audit activity by providing live data and reports on key performance indicators and other areas of interest. Sarah McLachlan, our Post-Doctorate Research Fellow, has been collaborating on several projects with our neighbouring air ambulances, East Anglian Air Ambulance and Magpas, including:
- A project to gain insight into the benefit of HEMS as perceived by HEMS clinical teams and ground ambulance staff
- A project to improve the efficiency and accuracy of HEMS tasking.

Clinical Governance

We are delighted to report that we have resumed the weekly face-to-face Death and Disability (D&D) sessions at our North Weald Base, where previous cases are reviewed to monitor the quality of patient care for the purpose of learning. The D&D days have been further enhanced with the addition of Clinical Pathology correlation days in which Dr Ben Swift, a forensic pathologist, uses injury patterns and post-mortem findings to further enhance the sessions, allowing us to learn from patients who have, sadly, died.

Clinical Risk & Safety

The Head of Patient Safety & Quality (HoPSQ) role has been embedded well into the EHAAT clinical leadership team since its inception in 2021. The role ensures that a culture of patient safety is at the heart of all that the Clinical Team do in order to prevent or reduce errors and improve the overall quality of the care provided. The HoPSQ leads the multi-professional Clinical Risk & Safety Committee (CRSC), whose role it is to maintain oversight of reported clinical incidents and their subsequent investigations, to ensure that quality is maintained at all stages of the investigation, and that appropriate action is taken to prevent reoccurrence. The HoPSQ also maintains oversight of clinical notice read compliance, and compliance with the Clinical Team's Critical Clinical Case Passport (CCCP); a set of training scenarios which aim to ensure that the Clinical Team is well prepared for those clinical interventions which are rarely performed.

Care Quality Commission

With the government's review and subsequent stepping down of covid restrictions, the CQC has begun to return to a normal schedule of inspections. As such, we anticipate that we will be inspected in the near future. The purpose of their inspection is to ensure that patients have received safe, effective, compassionate and high-quality care.

Our CQC Registered Manager continues to ensure that we are patient and family centred in our service provision. They also guide and work with the Trustees, Executive Team, and the entire Clinical Team to ensure that EHAAT is ready for any inspection by evidencing and demonstrating the outstanding level of care we provide. They also engage with the CQC to further understand and prepare for future changes to how the CQC monitor, regulate and inspect service providers.

Patient Liaison

The past year has continued to prove challenging for the Patient Liaison Team due to the ever-changing restrictions caused by COVID 19. Despite these challenges, we have continued to support as many EHAAT patients and families as possible via phone, zoom, and the occasional base visit as restrictions allowed.

With the creation of two new Patient and Family Liaison Officer roles, the Patient Liaison team has been renamed the Patient and Family Liaison team. These new roles are already proving to be an essential part of the EHAAT team, allowing us the scope to contact and support an ever-increasing number of EHAAT patients and their Families. Completion of the Supporter Hub at our North Weald Airbase has provided the Patient and Family Liaison Team with a dedicated environment in which to host Patients and Families for what can be an extremely emotional and difficult visit.

Training

Installation of the Immersive Training Suite at North Weald Airbase is complete. It allows both our and wider teams to immerse themselves in a wide variety of scenarios and environments which are reproducible and easy to set up. Combined with high-fidelity manikins, the suite allows the team to practice clinical skills that can be recorded or streamed as well as allowing for supervision and structured debriefing. The suite has also enabled joint training with multi-agency partners such as the Police Firearms Team and medical personnel from the armed forces, which allows us to support them in providing better patient outcomes.

We continue to provide the open online lecture series that began in November 2021. The lectures are incredibly well attended, with numbers increasing. Feedback indicates that the sessions have been very well received by participants, and we are starting to see international attendees.

With the relaxation of covid regulations, student elective placements have resumed enabling medical students to gain an insight into the pre-hospital setting. During the placement, students have the opportunity to observe clinical practice and take part in the D&D days. The placements are a valuable recruitment tool, and to that end, we are delighted to report that a former student, once qualified, went on to complete a secondment with us and will be joining us as one of the Emeritus doctors.

Centre for Excellence

The vision for the Centre for Excellence is to create a community through which pre-hospital care is developed to achieve the best possible outcomes for people in our region and beyond.

It will be based on the four 'Pillars' of Education & Training, Research & Scholarship, Community and Innovation to create the foundations for three clinical domains, which will explore clinical best practice in patient experience and outcomes, head injuries and cardiac arrest.

c) Fundraising-

Generating Funds

The pandemic and subsequent restrictions impacted fundraising as we continued diversifying our income streams during another turbulent year. That said, we were pleased to see signs of a return to 'normality' as government restrictions were gradually eased, such as the return of canvassers and the re-opening of our charity shops.

As we moved through the four phases in the government's roadmap out of lockdown, the pandemic continued to affect fundraising. However, we gained momentum as tin collections, events and volunteer activity restarted. Throughout all stages of the pandemic, our fundraising team has proven how agile and creative they can be, addressing immediate challenges whilst engaging with our supporters to keep relationships and communications active.

Flight for Life Lottery

Our monthly Lottery plays a crucial part in raising the vital funds needed to operate our life-saving Charity. With restrictions easing on 12th April 2021, we welcomed back our canvassers. Having our team back on track working door-to-door meant our fundraising activities could finally return to a more normal footing. At the end of March 2022, the number of individual supporters playing our Flight for Life Lottery was 101,207, playing a total of 184,354 chances, up from the 179,755 chances last year.

We contract two professional canvassing organisations which represent our values to the wider community. Through contractual terms and conditions, regular meetings and training, we ensure they follow the Charity's values and that their activities are closely monitored. All complaints received are followed up with the canvassing companies concerned and are reported to the Board of Trustees every month. During 2021-22, we received 10 such complaints, out of 36,883 new sign-ups. The activities of these organisations are also regulated by the Gambling Commission and Fundraising Regulator. In our efforts to help protect vulnerable people, we require all canvassers to be Dementia Friends and to attend a dementia awareness training course. Underage players are not permitted to join the Lottery; we also limit the number of chances players may have in the Lottery.

Legacy, In Memory and Raffle Income

We continue to promote legacies through a range of sensitive campaigns across different media platforms, including radio, local press and social media. Last year, due to the pandemic, we were unable to hold our two annual legacy events. In the year to the end of March 2022, the amount received via legacies went down from £3m in the previous year to £2.3m, a decrease of 23%, but 2021 was an exceptional year for legacy income.

Our 'in memory' income remained strong during this period, with £310k received for the year. We are touched that people continue to think of the Charity at such a difficult time.

Our three raffles also performed better than the previous year, perhaps because supporters continue to turn to other ways to support us from home. Spring/Summer/Winter 2021 generated £382,498 against Spring/Summer/Winter 2020 income of £334,099, an increase of 14.5%.

Retail Division
The COVID-19 lockdowns and restrictions continued to severely impact the Retail Division, with all shops closed as we entered the financial year. We re-opened our charity shops on 12th April 2021, with staff and volunteers busy managing large volumes of donations and engaging with new and returning customers.

Our newly formed Retail Advisory Committee continues to oversee the hard work involved in implementing and delivering our retail strategy. With volunteer retail experts working alongside the Head of Retail and the rest of the Retail Advisory Committee, we have the significant retail experience to guide us with implementing the strategy, which includes opening new shops, ecommerce, sustainability, improving processes and procedures and, of course, developing our team.

Our retail operation plays a vital role in driving sustainability, with each of our eight charity shops providing an ethical option for people choosing to dispose of unwanted goods. Every pre-loved item we sell makes a positive difference to our carbon footprint and helps tackle climate change.

Regretfully we had to close our Frinton-on-Sea shop permanently. Before the pandemic took hold, it was clear the number of people visiting the Frinton shop was lower than we anticipated and therefore projected income targets were not being met.

Virtual Events
We continued responding to the challenges of the pandemic on the front foot, running a series of virtual events and opening up ambitious fundraising campaigns to broader audiences. We relaunched 'Motorcycle Run: I Did It My Way', an initiative which saw hundreds of bikers riding a minimum of 60 miles at a suitable time in a safe and distanced fashion, ‘100 Miles In May' our walking challenge and 'Tack 2 Hack', a new equine event for horse lovers. Each virtual event played a vital role in raising awareness, and in total, they generated just under £50,000 in net income, which is even more critical during uncertain times.

Blood On Board
On average, it costs £500 to help one patient in need of blood. We launched our second 'Blood On Board Appeal' in January 2022, raising £6,116.

Earls Colne Sculpture
To mark the official opening of the newly extended and refurbished Earls Colne Airbase, we unveiled a unique sculpture, "Supporting Us, Supporting You", which takes pride of place at the airbase entrance. The sculpture results from the Charity's Sculpture Design Project, in collaboration with Harlow College, which represents the local community who support us.

New Head of Philanthropy
On 7th February 2021, our new Head of Philanthropy joined us to develop, implement, deliver and lead our major giving programme across Essex and Hertfordshire. They come with a wealth of experience and will work closely with the Chairman, CEO and Fundraising & Marketing Director on developing strategy, processes and cases for support.

Restart a Heart Day
In recognition of International' Restart a Heart Day,' our pre-hospital care doctors, critical care paramedics and volunteers delivered free CPR and defibrillation demonstrations to over 300 members of the public on 16th October 2021. Each session gave participants the awareness, hands-on experience and confidence needed to provide assistance in the event of a cardiac arrest medical emergency.

Air Ambulance Week
During Air Ambulance Week (6th to 12th September 2021), we joined other UK air ambulances in a campaign called "Every Second Counts and Every Penny Matters". The initiative saw thousands of supporters and volunteers come together to raise awareness of the 21 Air Ambulance services, which help save lives across the UK.

Regular Giving
Regular Giving has continued to show strong growth. For the year ending 31st March 2022, we recruited over 2,860 new regular supporters, an increase of 208% from last year's numbers. This brings our active supporter base to over 4,330. Cumulative income for the year is in excess of £240,000, supplemented by an additional £65,400 in Gift Aid.

New areas of development have been channelled through Telemarketing, such as successfully implementing a Warm Data Upgrade Campaign, as well as a Social Media Value Exchange Campaign. Both initiatives were great successes, collectively attracting over 1,000 Regular Giving sign-ups. In addition, the introduction of Business Regular Giving, utilising our existing canvassers, has seen our Business Regular supporters grow in numbers to around 100. A mix of sole traders, partnerships and limited companies across both Essex and Hertfordshire gave a healthy average monthly donation in excess of £17.

Payroll Giving provided an additional income of £26,400

Hertfordshire Focus
The public awareness of the Charity continues to be greater in Essex than in Hertfordshire. To address this imbalance, three years ago we implemented a 5-year marketing campaign focusing on three different key Hertfordshire towns each year. This is designed to raise awareness within the local communities that we are a charity and need ongoing support to continue our life-saving work. It is hoped that the carefully planned awareness campaigns will also, over time, encourage general donations, participation in our fundraising initiatives and secure more corporate and community group partnerships.

Volunteers
Our dedicated team of volunteers play a vital role in raising awareness of our life-saving work, assisting with support in our local communities and helping to increase income. At year end, we were supported by 412 volunteers, slightly down from 422 at the end of last year.

National Volunteers' Week took place during the first week of June as we celebrated and thanked our volunteers for their generosity and hard work. In addition to sharing a thank you video on our website, we also featured a series of volunteers' stories online and across social media, raising awareness of their amazing work.

We also had the pleasure of hosting Vision 21/22 at our North Weald Airbase. Over 50 volunteers attended the day as we conducted tours of the building, presented recognition awards and outlined the Charity's exciting plans for clinical, operations, fundraising and marketing.

d) Financial Review

The consolidated accounts are for Essex and Herts Air Ambulance Trust and its wholly owned trading subsidiaries Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited.

The financial highlights of the year include:

- Total incoming resources decreased by 11.4% to £15.5m (2021 - £17.5m).
- Total resources expended increased by 7.1% to £12.1m (2021 - £11.3m).
- Operating Surplus decreased by 45% to £3.4m (2021 - £6.2m).
- Retained reserves increased to £44.4m (2021 - £40.4m). Of this £19.2m is designated funds which includes £7.2m designated for a second AW169 together with £11m of fixed assets which includes the existing aircraft, together with the new airbase at North Weald together with £1m designated for the Centre for Excellence.

A breakdown of amounts held in specific funds for restricted, unrestricted and designated purposes is shown in note 18 of the financial statements.

Income Generation

Our regular sources of income showed signs of recovery, with donations and collection tins up by £217k (17.5%) from last year but not yet back to pre-pandemic levels. With the high streets re-opening, income, as expected, from our charity shops was up sharply, £480k (210%), with events income also up £92k (303%). Lottery sales were down £420k (4.2%) as we saw the cumulative effect of players lost throughout last year. Reported total group income (incoming resources) decreased in total by £2m (11.4%) over the previous year. This was a result of the particularly strong legacy income in the previous year coupled with the receipt during 2020/21 of £1.25m Government funding towards the construction cost of our new airbase at North Weald, which was a one-off and not repeated this year.

Resources Expended

Total group expenditure (resources expended) increased by £808k (7.1%) in the year. This was driven by higher levels of expenditure on raising funds, resulting from the return to canvassing for both the Lottery and our regular giving programme following the lifting of lockdown restrictions, together with higher running costs for the charity shops after having been closed for significant periods during the previous year. Our expenditure on charitable activities was in line with the previous year falling slightly by 2.1% as certain costs incurred last year at the outbreak of the pandemic were not repeated. The Charity also incurred £0.8m (2021 - £4.3m) of capital expenditure in the year, including £150k on motor vehicles including two new Volvo hybrid Rapid Response Vehicles, £410k completing and fitting out the North Weald and Earls Colne Airbases including the provision of charging points for electric vehicles. We also spent £68k on an engine filter system for the AW169 in order to protect our asset.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Performance Summary

Although many underlying levels of income were up on last year, the previous financial year benefited from some exceptional items such as the unusually high level of legacy income, Government funding in relation to the North Weald airbase and investment gains, which resulted in a reported surplus for the year of £7.99m, a fall to a more normal level this year was therefore expected.

Our net cash balances and investments at the year end were £35.6m, up £5.1m from last year.

Reserves Policy

Unrestricted reserves are freely available to be spent on any of the Charity's purposes; these amounts are contained within the General Fund. In this context, reserves exclude tangible fixed assets held for the Charity's use. The Trustees aspire to hold between 12 and 24 months of total expenditure in unrestricted general reserves to safeguard the operation of the service should our income fail or in the event of an unexpected eventuality. Current unrestricted general reserves represent 19 months' forecast total expenditure. Taking into account the continuing economic uncertainty coupled with the current strategy to expand both service delivery and related fundraising activities significantly in the medium term, the Trustees consider the current levels of reserves to be appropriate in ensuring the Charity remains robust – and can continue to operate during this period of great uncertainty. The uncertainty over future income streams and increased expenditure brought about by the coronavirus pandemic, suddenly higher inflation and the invasion of Ukraine have demonstrated the importance of a robust reserves policy to protect the Charity. Below is a breakdown of the reserves the Charity has.

	2022	2021
Total reserves	44,418,505	40,416,869
Less:		
Designated reserves	(19,238,721)	(11,012,200)
Restricted reserves	(876,132)	(1,625,083)
Free reserves	**24,303,652**	**27,779,586**

Investments

Our investment portfolio, managed by Aberdeen Standard Capital (formerly known as Standard Life Wealth), increased in market value across the period by £787k, having a market value at the year end of £17.6m. This is a notional gain only; our investments are held for the medium to long term and are made using professional investment advice. We consider the security of our investments, our future funding needs and market returns available for a given level of risk.

Cash reserves of £14.3m were held in two liquidity funds managed by Aberdeen Standard Capital. The Trustees' treasury management policy is designed to ensure that the primary objectives of safeguarding EHAAT's assets and limiting its risk are balanced with the achievement of a satisfactory return. Security, liquidity and yield are each assessed for their appropriate balance within the application of the treasury policy.

e) Plans for future

Clinical

With the world opening up again, it is possible for us to engage more easily with external stakeholders. We are able to welcome guests once again to the bases, including patients and family, but also guest speakers for our D&D days. We have also been able to re-introduce elective placements for medical students, which enables us potentially begin the process of creating the next generation of HEMS doctors. All of this whilst launching the Centre for Excellence, which will enable the research and development of pre-hospital care through the use of innovative techniques, support, and training for first responders. In doing so, we will be maximising the utilisation of the state of the training facilities available at our North Weald airbase while seeking to build a reputation as a leading international training centre in Prehospital Care for Trauma, Medical, and Cardiac, which will benefit patients not only in Essex and Herts but globally.

Cardiac arrest is a clinical domain within the Centre for Excellence.

Our vision is that as part of the Centre for Excellence, CPR and defibrillation training will be rolled out, alongside other life-saving first aid techniques, to charity staff, volunteers, supporters, and schools to equip young people with a life-saving skill.

Operations

While we operate a 24-hour service, we can currently only fly during daylight hours, the hours of darkness being covered by our RRVs. This means we cannot accept a mission in a helicopter when it is dark. We are working with our operator to agree on a programme of training and equipment purchase to allow the North Weald Helicopter to fly when it is dark.

Terms have been agreed to purchase a second AW169 to replace our existing leased MD902 based at our Earls Colne airbase. The anticipated entry into service of this new helicopter is spring 2024 after its medical fit-out to mirror the equipment carried on the existing AW169 operating from our North Weald airbase.

The purchase of a second AW169 means the EHAAT will then be operating identical aircraft types, which will assist in its strategic objective to operate under its own Air Operator Certificate. The current contract arrangement with SAS ceases in 2026.

Fundraising

Having successfully navigated the challenges posed by COVID-19, we remain focused on reaching new audiences and keeping existing supporters engaged by combining a variety of exciting fundraising and marketing initiatives. The new North Weald Airbase and Earls Colne improvements reflected the importance of investing for the future. We look forward to welcoming supporters to our new exciting interactive visitor centre at North Weald as we venture back to in-person community fundraising events.

Ray Winstone, Celebrity Patron

We were pleased to have our celebrity patron, Ray Winstone, visit the North Weald airbase in March 2022. As a volunteer, he gave his time for free, allowing us to record video, radio commercials and take photos to support campaigns for the year ahead, such as Air Ambulance Week, National Restart A Heart Day, Regular Giving and Sustainability.

New Website and CRM Integration

Our website is the digital entry point into our Charity, allowing us to share our story, expand our reach, connect with supporters and drive donations. As part of our commitment to continuously improve our online presence, we will soon begin work on the new website. The new website will enable us to connect with a broader demographic, increase online donations and reduce the amount of time manual input is required. We will also be integrating our customer relationship management system to protect our supporters' data, improve efficiency and provide insight which will guide our decision-making going forward.

Retail
We will remain focused on delivering our long-term retail strategy, which will include more shops and maybe even a superstore. We are working on delivering some new initiatives which will help drive supporter engagement.

We are excited to be working with E-productive, who are launching their new app 'My Charity Shop,' available in the App Store and on Google Play. The app will allow our supporters to manage their donations more easily and to keep track of gift aid. There will be a store locator tab, a volunteer tab for all volunteering opportunities across the Charity, a sustainability tab which will give daily updates along with an eBay tab for easy access to our eBay shop.

Again, with E-productive, we are looking at the possibility of introducing customer-facing small screens linked to our tills which can be used to share messages with supporters about how else they can engage with the Charity. We could also encourage an additional 'donation' at the point of sale; the screens could be used to promote gift aid and volunteering. We are currently exploring the options and costs and hope to install the screens in all our shops during 2022/23.

Earls Colne Visitor Centre
Having successfully launched our Visitor Centre at our North Weald Airbase, we are now looking at how we can replicate key elements to create a similar visitor experience at our Earls Colne airbase. We hope to have this new interactive space ready by the end of 2022 so that our supporters can visit us to learn more about the life-saving service we provide.

TV Exposure
We are delighted to be a part of More4's Emergency Helicopter Medics, which aired from the end of May 2022. The powerful series shows our amazing crew in action as they attend critically ill patients across both Essex and Hertfordshire. Viewers will see how our Critical Care teams, along with other air ambulances from around the UK, bring hospital-level care to patients suffering from life-threatening injuries and illnesses.

Later in the year, we will also feature in a popular TV cookery show – the programme was filmed at our North Weald airbase to thank EHAAT aircrew and team members from the College of Paramedics for their work during the pandemic. The College of Paramedics is the recognised professional body for all paramedics in the UK, whose role is to promote and develop the paramedic profession across England, Northern Ireland, Scotland and Wales.

Both opportunities will give us great exposure and enable us to showcase the work that we do to a wider audience.

Reporting – PowerBI
In order to improve reporting across many areas, including regular giving and retail, we are looking to introduce Power BI, which is an interactive data visualisation software product developed by Microsoft with a primary focus on business intelligence. We plan to create a data-driven culture across our organisation by introducing Power BI.

Steve Dukes Sports Auction
In May 2021, Steve Dukes, Head of Equipment for Tottenham Hotspur Football Club, auctioned sports memorabilia, including signed football shirts, in memory of his late father, Charlie Dukes. Steve raised over £44,000 for the Charity whilst helping to generate local and national press coverage. Steve is set to run a follow-up auction in 2022 to boost awareness of the Charity and raise crucial funds.

Corporate Fundraising Manager
As we emerge from a post-COVID world, we remain focused on growing and diversifying our fundraising income. To support our ambitions, we are seeking a Corporate Fundraising Manager. The successful candidate will be responsible for maintaining a robust pipeline of new corporate fundraising opportunities and managing a portfolio of existing corporate supporters.

Restructured Communications Team
In order to help deliver the marketing support needed to achieve our ambitions for 2022/23, we plan to restructure our Communications Team. A Campaign and Design Manager will take responsibility for managing all campaigns across the Charity, from income generation through to clinical and HR. A new Fundraising and Marketing Administrator post will provide support across many areas, including corporate fundraising, events, regular giving, CRM and marketing. With a growing team, we've restructured our communications department to build in-house capacity whilst utilising specialist external agencies and freelancers to enhance creativity, also allowing us to be both flexible and reactive whilst being cost efficient.

f) Development of Key Partnerships and Relationships

The strengthening of communication and relationships within the air ambulance community brought about by the pandemic have remained. We continue to work especially closely with our neighbouring air ambulances, including EAAA, MAGPAS Air Ambulance, London's Air Ambulance and Air Ambulance Kent Surrey Sussex together with EEAST, sharing knowledge and operating practices throughout the pandemic.

We are also actively participating in a number of pre-hospital research networks, including the Pre-Hospital Trainee Operated Research Network (PHOTON), the National HEMS Research & Audit Forum (NHRAF), the regional HEMS Research Network (EHAAT, EAAA and Magpas) and the East of England Ambulance Service NHS Trust Regional Research and Audit Development Group.

We have worked together with our with colleagues at Anglia Ruskin University, our neighbouring Air Ambulance EAAA together with EEAST on a bid for funding from the NIHR Research for Patient Benefit Programme for an exploratory study and development of recommendations for best practice in relation to pre-hospital care for traumatic brain injury.

g) Principal Risks and Uncertainties

The Trust operates a bespoke risk management software system. The Trustees have a risk management approach that comprises:

- An ongoing review of the risks the Charity may face, with risks being entered onto a risk register. The Executive Team reviews risk every month. The register is discussed at least twice a year at board meetings and at every Audit & Risk Committee meeting.
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise any potential impact on the Trust should those risks materialise
- Use of a risk management system for all clinical occurrences, reviewed by the Clinical Risk and Safety Committee.

The Trustees consider that the most significant risks to the Charity are the financial impacts of a sustained period of high inflation, financial and operational risks associated with a cyber-attack and reputational risk due to adverse publicity against the Charity or charity sector in general impacting our ability to raise funds.

Trustees' Responsibilities in Relation to the Financial Statements

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the 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 Trust and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and the group and hence for taking reasonable steps for theprevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditors are unaware
- As the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of the information

Auditors

A resolution will be considered to reappoint Crowe UK LLP as auditors to the Trust for the ensuing year.

Approved by order of the members of the board of Trustees on and signed on their behalf by:

Jonathan Trower

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST

Opinion

We have audited the financial statements of Essex & Herts Air Ambulance Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 an understanding of the legal and regulatory frameworks within which the company 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, Charities Act 2011 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group’s policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Weekes (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Riverside House

40 - 46 High Street

Maidstone

Kent

ME14 1JH

Date:

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and legacies	4	**38,774**	**4,527,186**	**4,565,960**	*5,007,062*
Charitable activities	5	**18,353**	**87,248**	**105,601**	*1,873,668*
Other trading activities	6	**9,666,594**	**846,253**	**10,512,847**	*10,389,482*
Investments	7	**-**	**334,066**	**334,066**	*237,568*
Total income		**9,723,721**	**5,794,753**	**15,518,474**	*17,507,780*
Expenditure on:					
Raising funds		**2,672,027**	**2,260,145**	**4,932,172**	*3,967,975*
Charitable activities		**7,205,321**	**-**	**7,205,321**	*7,361,639*
Total expenditure		**9,877,348**	**2,260,145**	**12,137,493**	*11,329,614*
Operating Surplus		**(153,627)**	**3,534,608**	**3,380,981**	*6,178,166*
Net gains on investments		**-**	**620,655**	**620,655**	*1,813,544*
Net (expenditure)/income		**(153,627)**	**4,155,263**	**4,001,636**	*7,991,710*
Transfers between funds	18	**(595,324)**	**595,324**	**-**	*-*
Net movement in funds		**(748,951)**	**4,750,587**	**4,001,636**	*7,991,710*
Reconciliation of funds:					
Total funds brought forward		**1,625,083**	**38,791,786**	**40,416,869**	*32,425,159*
Net movement in funds		**(748,951)**	**4,750,587**	**4,001,636**	*7,991,710*
Total funds carried forward		**876,132**	**43,542,373**	**44,418,505**	*40,416,869*

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 54 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 05397840

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Fixed assets					
Intangible assets	12		**11,734**		*24,547*
Tangible assets	13		**11,026,987**		*10,987,649*
Investments	14		**31,928,373**		*26,248,570*
			42,967,094		*37,260,766*
Current assets					
Stocks	15	**29,727**		*35,302*	
Debtors	16	**1,093,407**		*1,448,790*	
Cash at bank and in hand		**2,728,805**		*3,271,695*	
		3,851,939		*4,755,787*	
Creditors: amounts falling due within one year	17	**(2,400,528)**		*(1,599,684)*	
Net current assets			**1,451,411**		*3,156,103*
Total net assets			**44,418,505**		*40,416,869*
Charity funds					
Restricted funds	18		**876,132**		*1,625,083*
Unrestricted funds	18		**43,542,373**		*38,791,786*
Total funds			**44,418,505**		*40,416,869*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Jonathan Trower

The notes on pages 31 to 54 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 05397840

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Fixed assets					
Intangible assets	12		**11,734**		*24,547*
Tangible assets	13		**11,026,987**		*10,987,649*
Investments	14		**31,928,377**		*26,248,574*
			42,967,098		*37,260,770*
Current assets					
Stocks	15	**29,727**		*35,302*	
Debtors	16	**2,308,755**		*3,214,627*	
Cash at bank and in hand		**1,142,255**		*986,111*	
		3,480,737		*4,236,040*	
Creditors: amounts falling due within one year	17	**(2,029,330)**		*(1,079,945)*	
Net current assets			**1,451,407**		*3,156,095*
Total net assets			**44,418,505**		*40,416,865*
Charity funds					
Restricted funds	18		**876,132**		*1,625,083*
Unrestricted funds	18		**43,542,373**		*38,791,782*
Total funds			**44,418,505**		*40,416,865*

The Company's net movement in funds for the year was £4,001,640 *(2021 - £7,991,707)*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

Jonathan Trower

The notes on pages 31 to 54 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash generated in operating activities	**4,795,849**	*5,418,023*
Cash flows from investing activities		
Dividends, interests and rents from investments	**334,066**	*237,568*
Proceeds from the sale of tangible fixed assets	**19,000**	*8,816*
Purchase of tangible and intangible assets	**(798,678)**	*(4,344,556)*
Proceeds from sale of investments	**6,924,395**	*3,897,552*
Purchase of investments	**(11,817,522)**	*(8,955,172)*
Net cash used in investing activities	**(5,338,739)**	**(9,155,792)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(542,890)**	**(3,737,769)**
Cash and cash equivalents at the beginning of the year	**3,271,695**	*7,009,464*
Cash and cash equivalents at the end of the year	**2,728,805**	*3,271,695*

The notes on pages 31 to 54 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Essex and Herts Air Ambulance Trust is a company limited by guarantee (registered number 05397840) which is incorporated and domiciled in England. It is also registered as a charity with the Charity Commission (registered number 1108989). The address of the registered office is The Business Centre, Earls Colne Business Park, Earls Colne Colchester, Essex, CO6 2NS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the impact of Covid 19 by assessing the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2. Accounting policies (continued)

2.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset being transferred to the charity. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Goods donated for resale are included in the accounts when the items are sold.

The Charity receives grants in respect of furthering its charitable activities. Income from grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2. Accounting policies (continued)

2.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations, costs of trading activities and the running of fundraising events during the reporting period; and
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Salary costs are attributed to projects based on direct salary costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources. All costs were allocated on the basis of staff time, with the exception of property costs which were allocated by areas used.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.5 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2. Accounting policies (continued)

2.6 Intangible assets and amortisation

Intangible assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	-	25 % straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Short-term leasehold property	-	Straight line over the length of the lease
Helicopter	-	20 years straight line
Motor vehicles	-	2-4 years straight line
Fixtures and fittings and computer equipment	-	2-4 years straight line
Clinical equipment	-	3-4 years straight line

2.8 Investments

The investments held by the charity are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The statement of financial activities includes the net gains and losses on revaluation and disposals throughout the year.

Current asset investments are short term deposits and are held at face value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

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

2. Accounting policies (continued)

2.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

The following judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements:

Critical accounting estimates and assumptions:

- Depreciation rates for tangible fixed assets
- Residual value and useful life of helicopter

Critical areas of judgment:

- Income recognition of legacies and grants

4. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	38,774	1,329,480	**1,368,254**
Legacies	-	2,325,985	**2,325,985**
In-memoria	-	310,111	**310,111**
Collection Tins	-	88,930	**88,930**
Donated services	-	472,680	**472,680**
	38,774	4,527,186	**4,565,960**

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Donations	*154,122*	*1,043,571*	*1,197,693*
Legacies	-	*2,978,478*	*2,978,478*
In-memoria	-	*327,516*	*327,516*
Collection Tins	-	*42,839*	*42,839*
Donated services	-	*460,536*	*460,536*
	154,122	*4,852,940*	*5,007,062*

5. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Grant-making trusts	18,353	87,248	**105,601**

5. Income from charitable activities (continued)

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Grant-making trusts	*1,611,509*	*262,159*	*1,873,668*

6. Income from other trading activities

Income from non charitable trading activities

	Restricted funds 2022 £	**Unrestricted funds 2022 £**	**Total funds 2022 £**
Income from lottery	9,666,594	-	**9,666,594**
Fundraising events	-	122,150	**122,150**
Merchandise sales	-	14,332	**14,332**
Charity shop income	-	709,771	**709,771**
	9,666,594	846,253	**10,512,847**

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Income from lottery	*10,086,752*	*-*	*10,086,752*
Fundraising events	*-*	*30,281*	*30,281*
Merchandise sales	*-*	*11,909*	*11,909*
Charity shop income	*-*	*228,923*	*228,923*
Other	*-*	*31,617*	*31,617*
	10,086,752	*302,730*	*10,389,482*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Dividends	334,066	**334,066**

	Unrestricted funds 2021 £	*Total funds 2021 £*
Dividends	*229,828*	*229,828*
Interest	*7,740*	*7,740*
	237,568	*237,568*

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Helicopter Emergency Medical Service	6,506,181	699,140	**7,205,321**

	Activities undertaken directly 2021 £	*Support costs 2021 £*	*Total funds 2021 £*
Helicopter Emergency Medical Service	*6,658,936*	*702,703*	*7,361,639*

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	*Total funds 2021 £*
Depreciation	**702,809**	*502,303*
Helicopter and Rapid Response Vehicle	**2,852,196**	*3,437,126*
Clinical costs	**2,576,636**	*2,395,538*
Airbase premises costs	**374,540**	*323,969*
Total 2022	**6,506,181**	*6,658,936*

Analysis of support costs

	Total funds 2022 £	*Total funds 2021 £*
Staff costs	**531,900**	*545,551*
Operations and support costs	**96,998**	*72,670*
Other employment costs	**53,470**	*55,485*
Governance costs	**16,772**	*28,997*
	699,140	*702,703*

9. Governance costs

	2022 £	*2021 £*
Auditors' remuneration	**28,500**	*28,850*
Trustees meetings	**2,147**	-
Trustee indemnity insurance	**1,962**	*3,237*
Legal, consultancy and other fees	**(768)**	*18,870*

10. Staff costs

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Wages and salaries	**1,789,694**	*1,806,604*	**1,789,694**	*1,806,604*
Social security costs	**172,764**	*170,211*	**172,764**	*170,211*
Contribution to defined contribution pension schemes	**110,508**	*112,212*	**110,508**	*112,212*
	2,072,966	*2,089,027*	**2,072,966**	*2,089,027*

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	*Group 2021 No.*
Charitable activities	**8**	*9*
Raising funds	**28**	*32*
Lottery	**3**	*3*
Retail	**25**	*27*
	64	*71*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	*Group 2021 No.*
In the band £60,001 - £70,000	**-**	*1*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	-
In the band £120,001 - £130,000	**1**	*1*

The total amount of employee benefits received by key management personnel is £459,294 (2021 - £477,370). This includes bonus amounts earned but not yet paid. The charity considers its key management personnel to be the Trustees and the Executive Team as listed in the charity information page.

There was an amount due at the year end to one member of Key Management Personnel of £17,500 (2021 - £15,000).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 March 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

12. Intangible assets

Group and Company

	Computer software £
Cost	
At 1 April 2021	**115,893**
At 31 March 2022	**115,893**
Amortisation	
At 1 April 2021	**91,346**
Charge for the year	**12,813**
At 31 March 2022	**104,159**
Net book value	
At 31 March 2022	**11,734**
At 31 March 2021	*24,547*

13. Tangible fixed assets

Group and Company

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2021	**5,274,300**	**6,987,321**	**318,428**	**322,223**	**502,426**	**13,404,698**
Additions	**295,669**	**67,993**	**150,736**	**135,913**	**148,367**	**798,678**
Disposals	**-**	**-**	**(35,896)**	**-**	**-**	**(35,896)**
At 31 March 2022	**5,569,969**	**7,055,314**	**433,268**	**458,136**	**650,793**	**14,167,480**
Depreciation						
At 1 April 2021	**334,702**	**1,276,976**	**286,997**	**171,389**	**346,985**	**2,417,049**
Charge for the year	**258,985**	**350,348**	**43,193**	**28,856**	**77,958**	**759,340**
On disposals	**-**	**-**	**(35,896)**	**-**	**-**	**(35,896)**
At 31 March 2022	**593,687**	**1,627,324**	**294,294**	**200,245**	**424,943**	**3,140,493**
Net book value						
At 31 March 2022	**4,976,282**	**5,427,990**	**138,974**	**257,891**	**225,850**	**11,026,987**
At 31 March 2021	*4,939,598*	*5,710,345*	*31,431*	*150,834*	*155,441*	*10,987,649*

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2021	**26,248,570**
Additions	**11,888,748**
Disposals	**(7,255,717)**
Revaluations	**786,682**
Dividends retained	**335,002**
Foreign exchange movement	**(74,912)**
At 31 March 2022	**31,928,373**
Net book value	
At 31 March 2022	**31,928,373**
At 31 March 2021	*26,248,570*

14. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2021	**4**	**26,248,570**	**26,248,574**
Additions	**-**	**11,888,748**	**11,888,748**
Disposals	**-**	**(7,255,717)**	**(7,255,717)**
Revaluations	**-**	**786,682**	**786,682**
Dividends retained	**-**	**335,002**	**335,002**
Foreign exchange movement	**-**	**(74,912)**	**(74,912)**
At 31 March 2022	**4**	**31,928,373**	**31,928,377**
Net book value			
At 31 March 2022	**4**	**31,928,373**	**31,928,377**
At 31 March 2021	*4*	*26,248,570*	*26,248,574*

15. Stocks

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Finished goods and goods for resale	**29,727**	*35,302*	**29,727**	*35,302*

16. Debtors

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Due within one year				
Trade debtors	**8,290**	*2,672*	**8,290**	*2,588*
Amounts owed by group undertakings	**-**	*-*	**1,246,568**	*1,815,209*
Other debtors	**694**	*4,870*	**460**	*4,560*
Prepayments and accrued income	**341,367**	*440,522*	**310,381**	*391,544*
Tax recoverable	**115,410**	*95,902*	**115,410**	*95,902*
Legacy Debtor	**627,646**	*904,824*	**627,646**	*904,824*
	1,093,407	*1,448,790*	**2,308,755**	*3,214,627*

17. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Trade creditors	**357,446**	*178,474*	**344,008**	*178,474*
Amounts owed to group undertakings	**-**	*-*	**213,398**	*-*
Other taxation and social security	**48,516**	*42,453*	**48,516**	*42,454*
Other creditors	**538,209**	*501,374*	**2,879**	*4,131*
Accruals and deferred income	**1,456,357**	*877,383*	**1,420,529**	*854,886*
	2,400,528	*1,599,684*	**2,029,330**	*1,079,945*

	Group 2022 £	*Group 2021 £*
Deferred income at 1 April 2021	**479,095**	*682,073*
Resources deferred during the year	**506,836**	*479,095*
Amounts released from previous periods	**(479,095)**	*(682,073)*
	506,836	*479,095*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Fixed asset fund	**11,012,200**	**-**	**(772,153)**	**798,674**	**-**	**11,038,721**
Helicopter fund	**-**	**-**	**-**	**7,200,000**	**-**	**7,200,000**
Centre of excellence	**-**	**-**	**-**	**1,000,000**	**-**	**1,000,000**
	11,012,200	**-**	**(772,153)**	**8,998,674**	**-**	**19,238,721**
General funds						
General Funds - all funds	**27,779,586**	**5,794,753**	**(1,487,992)**	**(8,403,350)**	**620,655**	**24,303,652**
Total Unrestricted funds	**38,791,786**	**5,794,753**	**(2,260,145)**	**595,324**	**620,655**	**43,542,373**
Restricted funds						
Restricted Fund	**1,625,083**	**9,723,721**	**(9,877,348)**	**(595,324)**	**-**	**876,132**
Total of funds	**40,416,869**	**15,518,474**	**(12,137,493)**	**-**	**620,655**	**44,418,505**

18. Statement of funds (continued)

The designated funds for the new helicopter are the anticipated costs of purchasing the new helicopter. £1m has been designated for expenditure on our Centre for Excellence initiative.

Of the restricted funds, £864,054 (2021 - Critical Care of £1,625,083) represent the funds received from Essex Herts Flight For Life Lottery Operations Limited that are to be spent on operations (2021 - critical care) within the Trust.

The remaining restricted funds relate to various unspent grants with restrictions applied from the donor.

EHAAT operates in a high-risk environment using cutting edge procedures and technologies in order to move and act fast to save lives. Without regular and continued support our service simply could not run. As part of a plan to commit to the long term sustainability of the charity, the Trustees are seeking to create an Expendable Endowment Fund in order to make the most of excess income when it is achieved. This is with the intention the fund will be separately invested for the long term to deliver a stream of investment income to support our services for generations to come.

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 March 2021* £
Unrestricted funds						
Designated funds						
Fixed asset fund	*7,205,552*	-	*(573,021)*	*4,379,669*	-	*11,012,200*
North Weald development	*3,730,991*	-	-	*(3,730,991)*	-	-
Earls Colne development	*325,000*	-	-	*(325,000)*	-	-
	11,261,543	-	*(573,021)*	*323,678*	-	*11,012,200*
General funds						
General Funds	*20,561,206*	*5,655,397*	*(1,582,179)*	*1,331,618*	*1,813,544*	*27,779,586*
Total Unrestricted funds	*31,822,749*	*5,655,397*	*(2,155,200)*	*1,655,296*	*1,813,544*	*38,791,786*
Restricted funds						
Restricted Fund	*602,410*	*11,852,383*	*(9,174,414)*	*(1,655,296)*	-	*1,625,083*
Total of funds	*32,425,159*	*17,507,780*	*(11,329,614)*	-	*1,813,544*	*40,416,869*

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	11,026,987	**11,026,987**
Intangible fixed assets	-	11,734	**11,734**
Fixed asset investments	-	31,928,373	**31,928,373**
Current assets	876,132	2,975,807	**3,851,939**
Creditors due within one year	-	(2,400,528)	**(2,400,528)**
Total	876,132	43,542,373	**44,418,505**

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	-	*10,987,649*	*10,987,649*
Intangible fixed assets	-	*24,547*	*24,547*
Fixed asset investments	-	*26,248,570*	*26,248,570*
Current assets	*1,625,083*	*3,130,704*	*4,755,787*
Creditors due within one year	-	*(1,599,684)*	*(1,599,684)*
Total	*1,625,083*	*38,791,786*	*40,416,869*

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	*Group 2021 £*
Net income for the year (as per Statement of Financial Activities)	**4,001,636**	*7,991,710*
Adjustments for:		
Depreciation and amortisation charges	**772,153**	*573,021*
Losses/(gains) on investments	**(786,682)**	*(1,932,579)*
Dividends, interests and rents from investments	**(334,066)**	*(237,568)*
Loss/(profit) on the sale of fixed assets	**(19,000)**	*(3,134)*
Decrease/(increase) in stocks	**5,575**	*(4,054)*
Decrease/(increase) in debtors	**355,383**	*(432,375)*
Increase/(decrease) in creditors	**800,850**	*(536,998)*
Net cash provided by operating activities	**4,795,849**	*5,418,023*

21. Analysis of cash and cash equivalents

	Group 2022 £	*Group 2021 £*
Cash in hand	**2,728,805**	*3,271,695*
Total cash and cash equivalents	**2,728,805**	*3,271,695*

22. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	**3,271,695**	**(542,890)**	**2,728,805**
	3,271,695	**(542,890)**	**2,728,805**

23. Capital commitments

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	**-**	*291,140*	**-**	*291,140*

24. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £110,508 (2021 - £112,473). Contributions totalling £2,792 (2021 - £63) were payable to the fund at the balance sheet date and are included in creditors

25. Operating lease commitments

At 31 March 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	*Group 2021 £*	Company 2022 £	*Company 2021 £*
Land and buildings				
Not later than 1 year	**353,619**	*386,280*	**353,619**	*386,280*
Later than 1 year and not later than 5 years	**1,139,306**	*1,473,058*	**1,139,306**	*1,473,058*
Later than 5 years	**3,379,516**	*1,925,156*	**3,379,516**	*1,925,156*
	4,872,441	*3,784,494*	**4,872,441**	*3,784,494*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Company 2022 £	*Company 2021 £*
Land and building lease costs	**373,869**	*382,642*
Helicopter lease costs	**1,970,306**	*2,698,629*

26. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

D Hayward is a Trustee of the Charity and is also a partner in a firm of solicitors, Nockolds. During the year the Charity purchased legal services from Nockolds, amounting to £15,167 including VAT (2021 - £23,774). There was £12,627 outstanding at the year end (2021 - £nil).

Other than the above and the transactions identified within Note 10, there have been no other related party transactions.

27. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
Essex and Herts Flight For Life Lottery Limited	04269794	Same as parent company - see company information page	Ordinary	100%	Yes
Essex & Herts Air Ambulance Trading Limited	03739217	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Operations Limited	11995048	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Critical Care Limited	11995133	Same as parent company	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Essex and Herts Flight For Life Lottery Limited	**4**	**-**	**4**	**2**
Essex & Herts Air Ambulance Trading Limited	**28,238**	**11,301**	**16,937**	**2**
*Essex & Herts Flight For Life Lottery Operations Limited	**7,300,819**	**1,157,930**	**6,142,889**	**2**
*Essex & Herts Flight For Life Lottery Critical Care Limited	**2,365,774**	**792,115**	**1,573,659**	**2**

*indirect subsidiaries

ESSEX & HERTS AIR AMBULANCE TRUST

England & Wales - Charity number 1108989

Accounts

Registered number: 05397840
Charity number: 1108989

ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)

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ESSEX & HERTS AIR AMBULANCE TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Jonathan Trower, Chairman Philip Caborn (resigned 10 September 2020) Darren Hayward Annalisa Ridsdill Smith Ramzi Freij Clive Gilham Roy Marfleet Claire Smith Andrew Tunningley
Company registered number	05397840
Charity registered number	1108989
Registered office	The Business Centre, Earls Colne Business Park Earls Colne Colchester Essex CO6 2NS
Website address	www.ehaat.org
Company secretary	Brenda Playford
Executive Team	Jane Gurney – Chief Executive Officer Ronan Fenton – Medical Director (Resigned 30/11/2020) Neil Durge – Medical Director (Appointed 08/02/2021) Peter Sherren – Assistant Medical Director (Appointed 08/02/2021) Stuart Elms – Clinical Director Cliff Gale – Operations Director Pam Withrington – Fundraising and Marketing Director Jonathan Ager – Finance Director
Independent auditor	Crowe U.K. LLP Riverside House 40 - 46 High Street Maidstone Kent ME14 1JH
Bankers	Barclays Bank Plc 40 High Street Chelmsford Essex CM1 1 BE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Solicitors	Nockolds LLP Market Square Bishop's Stortford CM23 3UZ
Investment manager	Aberdeen Standard Capital Bow Bells House 1 Bread Street EC4M 9HH

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

Chairman's Introduction

This has been a year like no other. However, I am pleased to report that the year to 31st March 2021 was successfully navigated by Essex & Herts Air Ambulance Trust, despite the considerable clinical, operational and fundraising challenges caused by the Covid19 pandemic. The Trustees, the Executive Team and all of our Staff devoted an enormous amount of time to adapting our working practices across all areas of the Charity so that we could continue to operate safely and effectively.

The Charity provides a free of charge, pre-hospital emergency clinical service across Essex and Hertfordshire. Consequently, many of our staff have been, and remain, on the front line of the Covid19 crisis. The fact that we have continued to save lives so effectively in such difficult circumstances is a tribute to the skill of our clinical teams and pilots and the hard work of all who support them. Our clinical teams have not only continued to undertake our normal life-saving missions but have also been more broadly involved in assisting the NHS to deal with the pandemic. They have, for instance, transferred critically ill patients between hospitals in the region and supported the establishment and staffing of the Nightingale Hospital in London.

The table below details the number and types of incidents that we attended during the year. Despite lockdowns and the resulting 11% fall in road traffic collisions, these were only 2% down overall on the previous year.

	2021	2020
Medical Emergency	917	902
Road Traffic Collision	472	533
Other Trauma	913	893
Other Mission Types	36	68
Total	2,338	2,396

The Covid19 pandemic adversely affected the Charity's community and corporate fundraising. Fundraising events had to be cancelled and canvassing stopped for both the Lottery and our Regular Giving programme, whilst our charity shops were closed for long periods of the year in accordance with Government guidelines. Despite this, our fundraising teams rose to the challenge and actively sought alternative and creative ways to raise funds. In particular our raffles have been very well supported and our income from Legacies and In Memoriam has risen significantly.

The unprecedented circumstances which the Charity faced in the year have served to remind Trustees, staff and our supporters of the critical importance of ensuring that the Charity remains financially resilient. The fact that we have been able to maintain our underlying surplus whilst at the same time taking advantage of the exceptional income and investment gains available to those with the right strategy is a tribute to all involved.

Several years ago, the Trustees embarked on a course of action which was designed to ensure that as much of our operation as possible would eventually come under our own control. We acquired our first helicopter 4 years ago, thereby reducing the operating costs which we previously incurred as a consequence of leasing the aircraft. This year we completed the building of our new airbase at North Weald and so no longer have the cost and uncertainty of operating out of a leased building. We have now entered into discussions which may, in the medium term, result in the acquisition of a second helicopter and potentially holding our own Air Operating Certificate. All of this will secure the long term future of this Charity for the benefit of the people of Essex and Hertfordshire, but requires substantial expenditure and will only be possible if we continue to build our resources and enhance the financial strength of the Charity.

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

I am therefore pleased to report that, despite all of the challenges posed by the pandemic, the Charity ended its latest financial year in a strong financial position. This was thanks to a combination of prudent financial planning and the benefit of some exceptional income, capital gains, and cost savings — none of which are likely to recur on this scale. The exceptional income included a £1.25 million grant received from the Government towards the cost of building the new North Weald Airbase, £140k distributed by Air Ambulances UK (AAUK), as part of the Government's one-off funding package for life-saving charities during the pandemic, and £175k from the Government's Job Retention Scheme, enabling us to retain our charity shop staff while the shops were closed through the lockdown. Cost savings were seen from lottery canvassing being paused during lockdowns, but this short-term financial gain helping boost this year's surplus income will reduce future player numbers and therefore income. Our financial position was further improved by uncrystallised investment 'gains' of £1.9m. This reflects the movement in the market valuation of our investments between year ends. Our long term reserves are held in a mix of cash, equities and bonds which are carefully invested by our professional fund managers. Not only did we benefit from global markets which enjoyed a strong rise in values following the unprecedented, co-ordinated response of central governments and banks from around the world to support economies through the pandemic but also from the fact that our portfolio was particularly well placed to benefit from the strong valuation gains seen in the healthcare and technology sectors together with a bias towards overseas equities.

In combination, these exceptional items served to boost the underlying net income of around £4.3m (2020 £4.6m), to a reported £7.99m (2020 £4.3m).

However, continuing to deliver our life-saving service and strengthen our financial position in such difficult circumstances were not all that was achieved. I am delighted to report that, our main contractor, Barnes Construction, delivered our outstanding new airbase at North Weald on time and on budget, allowing us to begin operating from it in April 2021. Furthermore, we have expanded and refurbished our existing facilities at Earls Colne Airfield. These building projects will ensure the security of our air operations at both sites for many years to come.

It will come as no surprise to our supporters that I am extremely proud of how our teams across all areas of the Charity's activities have responded to the challenges of the last year.

Therefore, on behalf of the Trustees, I would like to thank the Executive Team for the leadership which they have shown; to thank our team, across all areas of the Charity's activities, for their dedication, enthusiasm and hard work in often difficult circumstances; and to thank our volunteers and supporters, whose interest and commitment has remained throughout a year when much of their normal work on our behalf has been curtailed.

Finally, I would like to give my personal thanks to my fellow Trustees for their support and hard work over the last year when the Charity has made a much greater call on their time than it would do normally.

Jonathan Trower

Jonathan Trower
Chairman
Date: 2/12/2021

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Within the Trustees' Report is the Strategic Report, required under Section 414c(11) of the Companies Act 2011.

1. Structure, Governance and Management

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the Group for the year ended 31 March 2021. The Board confirms that the Trustees' Report and financial statements of the Group comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in July 2014 (FRS102 SORP 2015).

a) Governing Document

Essex & Herts Air Ambulance Trust (EHAAT or the Charity) is a company limited by guarantee and was incorporated on 18th March 2005. It is governed by its Memorandum and Articles of Association which was last amended on 22nd March 2018. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per Member (the members being the Trustees).

b) Appointment of Trustees

Trustees are selected by reference to a matrix of skills and experience that has been established to ensure that the Charity's objectives can be met. The matrix includes: clinical, budgeting and finance, legal, fundraising, marketing, commercial sales, public relations, IT, HR management, community and voluntary sector expertise, risk and strategic planning.

At an orientation meeting, new Trustees are given an induction pack to brief them on their legal obligations under charity and company law. It includes the Memorandum and Articles of Association, a Duties of Charity Trustees booklet, and strategic and business plans. We also arrange for them to meet the staff and spend a day at the head office. Trustees are given specific Charity information as well as external training.

There is currently no upper limit to the time that an individual can be a Trustee, but one-third of all Trustees are required to retire by rotation each year and, if willing to continue, offer themselves for re-election.

c) Values

Our actions are guided by our values – **passionate** in going the extra mile; **professional** in treating everyone as they would wish to be treated; **innovative** in driving forward best clinical practice**; trustworthy** in working openly and honestly and **dedicated** because we care about the cause, our patients and each other; and **inclusive** in creating a safe environment that brings diversity to life.

d) Organisation

The Board of Trustees that administers the Charity can have up to twelve members — there are currently eight Trustees with a quorum requirement of four at all meetings. The Board met six times during the period under review. The day-to-day management of the Charity is delegated by the Trustees to an Executive Team by means of a formal Scheme of Delegation. Committees comprised of both Trustees and Executive Team members, are established where necessary to advise the Board on various strategic matters and there were five in operation during this financial year. These included the ongoing committees covering investments, the development of the new airbase at North Weald, and Audit and Risk. Two new committees were formed during the year, firstly the Nominations Committee, which is responsible for ensuring all members of the Board are recruited via robust, fair and transparent methods to ensure a diverse range of Trustees with the relevant skills and experience required; and secondly a Retail Advisory Committee to provide support and guidance on the retail strategy to the Board and includes two external retail experts who volunteer their time.

Committee/Group	Trustees
Investment Advisory Committee	Andrew Tunningley, Jonathan Trower, Clive Gilham
Audit and Risk Committee	Clive Gilham, Phil Caborn (retired), Andrew Tunningley, Roy Marfleet
North Weald Working Group	Roy Marfleet, Clive Gilham, Annalisa Ridsdill Smith, Darren Hayward
Nominations Committee	Darren Hayward, Jonathan Trower, Annalisa Ridsdill Smith
Retail Advisory Committee	Claire Smith, Annalisa Ridsdill Smith

e) Pay policy for senior staff

The Trustees consider that the Board of Trustees and the Executive Team (as detailed on page 1) comprise the key management personnel of the Charity. Trustees are not remunerated. The pay, related policies and annual remuneration of the Chief Executive Officer are decided by the Trustees whilst the pay for the remainder of the Executive Team is decided by the Chief Executive Officer after consultation with the Trustees.

When setting remuneration levels, the charity aims to strike a balance between market-appropriate pay, the need to attract and retain people with the specific skills, and the public's and our donors' expectations that the money they entrust us with will be used wisely to provide a first-class helicopter emergency medical service.

It is central to achieving our objectives that the Charity is able to attract and retain high performing senior leadership. Remuneration may vary depending on the job type, its complexity and the range of activities undertaken. It is validated objectively using market comparators such as salary survey data from charitable, private and public sectors as required. Independent advice from suitable third party professionals is also sought where deemed to be necessary, coupled with benchmarking against comparable Air Ambulance charities.

We are committed to fairness in our remuneration practices and follow these guiding principles:

- Proportionality – fairness and consistency in line with appropriate benchmarks
- Rewarding Performance – ensuring an individual's remuneration is commensurate to their performance and personal contribution to the charity
- Recruitment and Retention – enabling us to attract and retain valued staff
- Expertise and Experience – is appropriate for the role
- Transparency – openness and clear communication about how remuneration is set

When setting remuneration levels, the Trustees are cognisant of the requirement to apply funds raised to best meet our charitable objectives. The Trustees are confident that the current level of reward has enabled the charity to recruit and retain a strong committed leadership team in order to deliver these objectives for the Charity and those it serves.

f) Structure

The Charity has four wholly-owned subsidiaries: Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited. The principal activities are to operate weekly lotteries together with raffles and to account for the Charity's trading activities respectively. The profits of all companies are donated to the Charity under a Deed of Covenant.

g) Code of Governance

The Trustees look to promote good governance throughout the Charity, continuing to ensure we operate, where applicable, in line with best practice as set out in the Charity Code of Governance. As part of this process, EHAAT engaged the Institute of Directors to perform a Board Effectiveness Review to consider the Board's activity and function. The Trustees were reassured that the Charity already met the majority of recommended practice detailed in the Code and are making progress on areas identified where improvements could be made. The Trustees are actively working with the Executive Team towards making these improvements. One of the outputs from this review is the creation of a Senior Independent Trustee (SIT) role. This role acts as the lead when reviewing the performance of the Chair, acts as a sounding board for the Chair and acts as an intermediary for Trustees, the Executive Team or other stakeholders where appropriate.

h) Related Parties

Trustees and members of the Executive Team are the people who can control or significantly influence our Charity and so they disclose their interests in a register which is reviewed annually by the Board of Trustees as a whole. In addition, there are occasional transactions which directly involve individual Trustees, and when Trustees consider these arrangements, the relevant Trustee leaves the Board Meeting for such business. All such transactions which arose during this financial year are disclosed in this annual report within Note 28.

2. Objectives and Activities

a) Objectives

The objective of the Trust is to assist in relieving sickness by the operation of a Helicopter Emergency Medical Service (HEMS) to the counties of Essex and Hertfordshire and surrounding areas. The Trust may also undertake other charitable activities for the relief of sickness consistent with this.

b) Public Benefit

The Trust provides a free of charge, pre-hospital emergency clinical service that assists people in our geographical area, and adjacent areas, with serious illness or injuries and helps save lives. In shaping the objectives of the Trust for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

c) Activities

Essex & Herts Air Ambulance, unlike the NHS emergency services, is a charity providing a HEMS for the critically ill and injured of Essex, Hertfordshire and surrounding areas. Our fundraising activities are planned to optimise our income to fund this life-saving service and build the Charity's brand awareness. Transparency and good governance are recognised as being essential to maintain the trust and support of members of the public and their resulting financial generosity.

3. Strategic Report

Achievements and Performance

a) Operations

The Charity's AW169 helicopter has now been in operation for 4 years and continues to demonstrate itself as a stable, modern platform enabling the Pre-hospital Care Doctors and Critical Care Paramedics to provide the best possible clinical care and treatment for our patients. The leased MD902 helicopter carries identical aircrew and equipment to mirror the same life-saving care provided in the AW169. Both aircraft are maintained by Specialist Aviation Services Ltd (SAS), who also provide the pilots and co-pilots.

SAS has been providing helicopters, pilots and aircraft maintenance for the emergency services for over 30 years and is recognised as one of the leaders in the industry. SAS and representatives of the Charity meet twice a year to formally review the contract arrangements and ensure compliance. We have been trading with SAS since 2008, but we monitor the industry more widely to ensure that we continue to receive value for money for a safe, secure and high-quality service.

We operate from our airbases at Earls Colne and North Weald airfields, where we ensure a safe working environment that complies with stringent Civil Aviation Authority (CAA), Care Quality Commission (CQC) and Health and Safety requirements. This operating structure enables us to be more effective and has many cost-saving benefits for the Charity too. Our service is operational seven days a week. Each base works a twelve-hour helicopter shift when daylight hours allow. When daylight hours are reduced, the shift continues in a rapid response vehicle (RRV). Both the airbases and the flying operation are regularly inspected by the CAA to ensure compliance with regulations and safety. The four RRVs, all Volvo XC90s, are specially equipped to support our HEMS operation. Two are located at each airbase and are used when the helicopter is unavailable due to weather, daylight limitations or maintenance. An additional night RRV shift is provided at North Weald, which means the airbases work together to provide optimum cover for both counties and surrounding areas 24/7 every day of the year.

Construction of the new, purpose-built airbase at North Weald was completed in February 2021, with operations going live from April 2021. The refurbishments to the airbase at Earls Colne were completed in October 2020. These included the leasing of an additional hangar and internal construction to improve the accommodation and facilities for the aircrews.

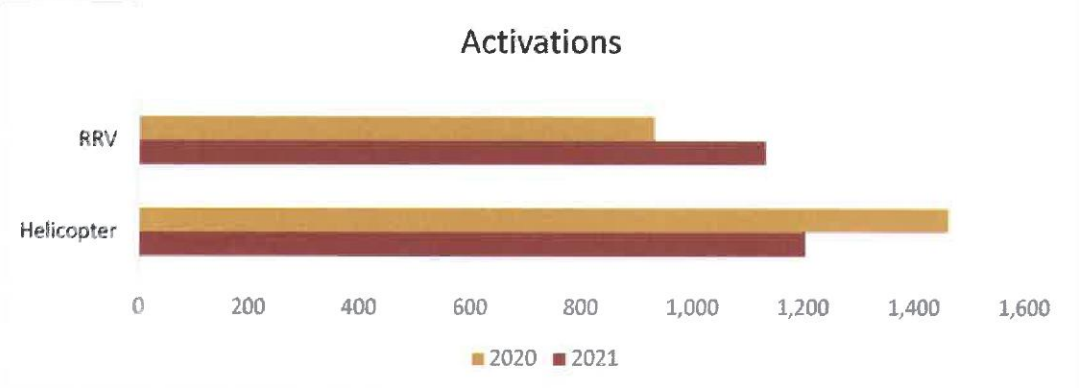
Our partnership working with the East of England Ambulance Service Trust (EEAST) continues to strive for effective tasking (activation) of the clinical crews through the Clinical Coordination Desk (CCD). The CCD is responsible for the tasking of all specialist assets, including helicopters, across the East of England region.

The effectiveness of the tasking continues to be monitored at operations meetings involving the Charity, EEAST, and our neighbouring air ambulances, East Anglian Air Ambulance (EAAA) and MAGPAS Air Ambulance. It is also subject to a monthly 'key performance indicator' (KPI) monitored by the Trustees.

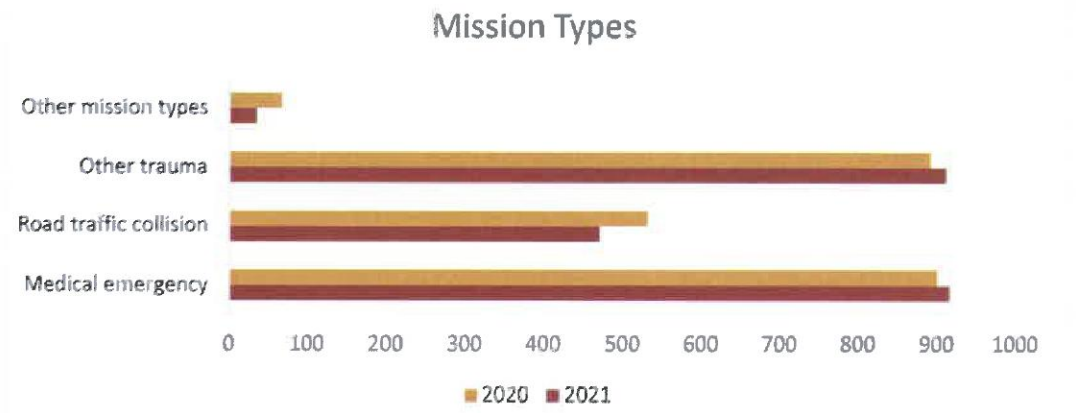
The Covid19 pandemic resulted in SAS introducing additional measures, including operational and aircraft modifications to ensure crew safety. These are monitored on an ongoing basis and changed or upgraded where necessary to provide the best protection for personnel. Despite the pandemic and periods of lockdown, the chart below shows that there has been no significant impact to the number of activations when compared to the previous year.

Operational performance data provides the following results:

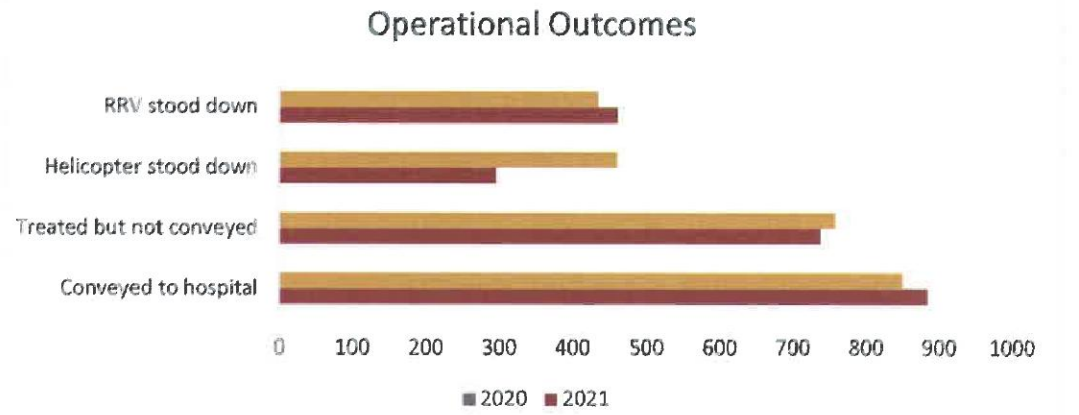
Activations



Mission types



Operational outcomes



Carbon Footprint

In what Trustees believe is a first for a UK air ambulance charity, EHAAT has carried out a thorough review of its carbon footprint and sustainability, and is now looking at how it can achieve a net-zero impact.

The first stage of this process was to engage a specialist carbon consultant and work with them to calculate the Charity's carbon footprint for the year 2019-20. This involved capturing the data on the fuel used under Scope 1 of the Greenhouse Gas Protocol (fuel used in aircraft, vehicles, heating buildings etc) and Scope 2 (Fuel used indirectly as a result of the charity's activities, such as in the production of purchased electricity).

One of the first beneficiaries of this work was EHAAT's new airbase at North Weald, which became operational in April 2021. The building was designed with environmental considerations as a priority, to include:

- Achieving an energy performance certificate (EPC) grading of A, the highest possible.
- Photovoltaic panels on the roof means the building generates more electricity than it uses. The excess is sold to the national grid.
- Electric vehicle charging points enable users of electric vehicles to charge them.
- Motion sensor lighting inside the building means lights are only active when areas are occupied, reducing electricity consumption.
- Additional steps such as improved waste segregation and recycling and Eco boilers are also being installed at the charity's airbase and its headquarters in Earls Colne, as well as its charity shops across Essex and Hertfordshire.

Over the coming year, EHAAT will continue to take steps to further improve sustainability and the organisation's carbon footprint

b) Clinical

Clinical Leadership

During the year, we saw Dr Ronan Fenton leave his role as Medical Director with EHAAT after providing clinical leadership for nearly 5 years. However, his departure was an opportunity to re-evaluate the structure of the clinical leadership team and we subsequently appointed both a Medical Director and Deputy Medical Director, the successful candidates already part of our experienced team of consultants.

Covid-19 Pandemic.

The pandemic has had a profound impact on the clinical team, our patients and those from the other NHS/Emergency service organisations we work alongside. It created a significant amount of uncertainty and disruption for the team. Working in partnership with EEAST, the clinical team were able to access rapid lateral flow testing and vaccinations. This, along with a successful PPE acquisition program, allowed us to continue our service with no lapse in available cover. The ability of the clinical team to be dynamic and respond to a changing environment allowed both team and patient safety to remain uncompromised.

Clinical Service

The RRV operating from North Weald throughout the night continues to prove itself as a valuable resource, with the number of patients attended continuing to grow. In total, the Night RRV was activated 713 times and treated 441 patients. The teams delivered 81 Pre-Hospital Emergency Anaesthetics and pre-hospital blood products to 22 patients. These are significant interventions helping to underline the value that this resource brings.

Like other emergency organisations, we saw a downturn in patient numbers during the early phases of the pandemic lockdowns. However, in early 2021, these numbers increased rapidly, above normal levels.

We helped the NHS by sharing staff to help with critical care transfers between hospitals. Flight doctor and CCP teams were assisting with the transfer of critically unwell Covid positive patients.

In the last 12 month period we administered blood products to 80 patients. To date, we have had no wastage and no unexpected or serious occurrences. We work in partnership with the National Health Service Blood Team (NHSBT) at Princess Alexandra Hospital in Harlow and the Essex Voluntary Blood Service to deliver a very successful, safe patient care regime.

Due to the generosity of our supporters, we are able to invest in world-class equipment, ensuring value for money, resilience of service and backup, ease of training and delivery of outstanding patient care. This included investment in new ventilators amongst other equipment.

The completion of our new airbase at North Weald and expansion and refurbishment at Earls Colne provides outstanding facilities for our teams to work from, train, relax, teach and learn. Not only will our own teams benefit, but we expect the local community and our partners to do so as well. We believe that these world-class facilities really will help the region and beyond.

Welfare & Support

Team welfare has remained a key priority. A Mental Health Action Group consisting of both charity and clinical staff, look at how all EHAAT staff can be supported, develop resilience and improve overall wellbeing and mental health. Measures such as well-being phone apps, self-directed learning, individual counselling, and team meetings led by a clinical psychotherapist have all been well received. The feedback collected reflects the team felt supported throughout the pandemic and operationally.

Research

Our Post-Doctorate Research Fellow has led on our research and quality improvement programme, including work in the following areas.

- A patient feedback project will provide patients and their families with an easy way to give timely feedback to the clinical team via written or electronic means.
- Understanding the demand for our night operation.
- How the Covid19 pandemic has impacted on:
    - Deliberate self-harm incidents
    - The HEMS service to include the experiences of clinicians and learnings for the future
    - Non-verbal communication techniques while wearing PPE
    - Out of hospital cardiac arrests

- Cardiovascular complications of pre-hospital emergency anaesthesia.
- We are actively involved in a scoping project for The Whole Blood in Air Ambulances (WHOLE) Trial: this is a randomised controlled trial of pre-hospital whole blood versus standard care for the resuscitation of patients with life-threatening haemorrhages.

Clinical Governance

Our clinical governance continues to be robust, with all levels of the team engaging strongly. Led by our three experienced Governance Leads, we were able to continue our governance meetings despite the limitations placed on the team by the pandemic. By approaching this in a dynamic way, the resulting governance was positive, energetic, and innovative. Online meetings were held, and, when possible, Covid-secure meetings were organised.

Clinical Risk & Safety

A new role was developed to monitor all aspects of clinical risk and safety. The Patient Safety & Quality Lead (PSQL) will work with all members of the team as well as liaise with external organisations to share lessons and best practice. This role allows us to see trends early and be both proactive as well as reactive with our risk awareness and patient safety. This monitoring and reporting on our safety management system gives another layer of risk oversight in our system and feeds into the Clinical Risk & Safety Committee. This group consists of a mix of Critical Care Paramedics, Flight Doctors, Consultants, Pilots, as well as the PSQL, Operations Director and Clinical Director. The strength of this committee is they have oversight of and will peer review all investigated incidents. Their decision can be acceptance of the result and recommendations, a request to review or added advice to be taken. We feel this gives strength and robustness to investigations.

Care Quality Commission

Throughout the pandemic, the CQC regulatory role did not change; their core purpose remained to ensure that patients received safe, effective, compassionate and high-quality care; however, the pandemic meant a different way of working for the CQC and this was delivered by the Transitional Monitoring Approach. This was an online meeting with our Relationship Officer (RO) that looked at our safety, risks and other aspects of our patient care. This was on top of regular online meetings with the RO. Moving forward the CQC will be trying innovative ways to look at Providers and their care, building up an intelligence picture to prompt inspection regimes.

Patient Liaison

With the pandemic came the loss of ability for us to meet patients and their families at the airbases and hospitals. However, some contact did continue with phone calls and online meetings, providing the means to support those in need. Again we answered the call to help by providing our experienced managers to assist the Royal London Hospital teams helping families see and communicate with their loved ones at a time of greatest need. We will continue to review our aftercare and tailor it as the pandemic changes.

Training

EHAAT worked closely with other UK Air Ambulances to produce a clinical webinar looking at the impact of Covid, treatment regimes and welfare issues. With over a hundred delegates and a first-class group of speakers from other air ambulances and NHS Organisations, this was a fantastic learning event for everyone involved.

c) Fundraising

Generating Funds

In a normal year we receive our financial support through a variety of means, including individual and corporate donations, legacies, fundraising events, charity shops and the Flight for Life Lottery. This year was not a normal year and almost all of these income streams were directly impacted by the Covid19 pandemic and the resulting lockdowns the government imposed. Whilst we looked for new ways to engage with our supporters to at least keep relationships and communications active, our income across these areas did suffer greatly.

Included within income for the year is £1.25 million received from the Government, part of an exceptional £1.5 million grant towards the cost of building the new North Weald Airbase. £250k of this grant was recognised in the previous financial year (2019/20).

With tin collections, events, community fundraising and volunteer activity all very much reduced, the same level of staffing was not required, resulting in a fall in staff numbers. Redundancy of roles has been an unfortunate but inevitable consequence of changes brought about by the pandemic.

Further Government funding was received in the form of a grant of £140k as part of £6 million awarded to Air Ambulances UK for distribution to the 21 air ambulance charities on behalf of the Department of Health and Social Care. This was an emergency injection of cash to help air ambulances cover the increased operational spending they faced, such as on PPE.

In response to the pandemic and the need to protect our crews, we launched our own PPE appeal, which performed above expectations, exceeding its target of £50k, raising a total of just under £60k. Continuing from last year was our Buy-a-Brick campaign in support of our new North Weald Airbase. This was supported by the Charity's Celebrity Patron Ray Winstone, who recorded a video appeal for us. With Ray's help, the campaign easily exceeded its target of £20k, going on to raise nearly £40k.

We are registered with the Fundraising Regulator and endeavour to ensure that our fundraising is conducted to the highest standard.

Flight for Life Lottery

Cost savings were seen from lottery canvassing being paused during lockdowns, but this short-term financial gain helping boost this year's surplus will have an effect on player numbers and therefore income in future years.

At the end of March 2021, the number of individual supporters playing our Flight for Life Lottery was 99,007, playing a total of 179,755 chances, down from the 190,914 chances last year.

We contract two professional canvassing organisations which represent our values to the wider community. Through contractual terms and conditions, regular meetings and training we ensure they follow the Trust's values and that their activities are closely monitored. All complaints received are followed up with the canvassing companies concerned and are reported to the Board of Trustees. During 2020-21, we received 10 such complaints, out of 11,608 new sign-ups. The activities of these organisations are also regulated by the Gambling Commission and Fundraising Regulator. In our efforts to help protect vulnerable people, we require all canvassers to be Dementia Friends and to attend a dementia awareness training course. Underage players are not permitted to join the Lottery; we also limit the number of chances players may have in the lottery.

Legacy, In Memory and Raffle Income
The financial year saw significantly higher levels of income from both legacies and in memory donations. We are touched that people continue to think of the Charity at such a difficult time. Our three raffles also performed better than usual, perhaps because supporters were turning to other ways to support us from home.

We continue to promote legacies through a range of sensitive campaigns across different media platforms, including radio, local press and social media. Due to the pandemic, we were unable to hold our two annual legacy events. In the year to the end of March 2021, the amount received via legacies went up from £2,345k to £2,978k, an increase of 27%, as we benefitted from our focus on this important area of giving over previous years.

Retail Division
The impact of the Covid19 lockdowns had a major impact on the Retail Division, with all shops closed as we entered the financial year. We re-opened some shops in August with a 'click & collect' service and experienced a short spell of trading before we went into another national lockdown in December. Our shops remained closed until restrictions were lifted for non-essential shops in April 2021. The one area that continued trading was our e-commerce department, as online shopping was not affected by lockdown restrictions.

We did, however, manage to achieve some key objectives for Retail during this very difficult period, including::

- A full external review of our retail activities completed and presented to the Board in October 2020.
- Formation of our Retail Advisory Committee with two volunteer retail experts to help advise
- New 3-year retail strategy devised and presented to the Board in March 2021
- Restructure of our e-commerce team to work towards a volunteer led model
- Trialling of a new 'click & collect' service in two shops proved successful
- Testing of different e-commerce platforms

Regular Giving
As part of our ongoing income diversification plans, we continued to promote our Regular Giving programme. Our aim is to attract new supporters into the programme with telemarketing/direct mail campaigns and with canvasser activity. Due to the pandemic, our canvasser sign ups stopped and so we relied on our other areas of engagement to attract new supporters to the programme. By the end of March 2021, we had a total of 924 regular giving supporters generating in excess of £174k. This area of income also attracted £35k in Gift Aid donations.

Hertfordshire Focus
The public awareness of the Charity continues to be greater in Essex than Hertfordshire. In order to address this imbalance, two years ago we implemented a 5-year marketing campaign focusing on three different key Hertfordshire towns each year. This is designed to raise awareness within the local communities that we are a charity and need ongoing support in order to continue our life-saving work. It is hoped that the carefully planned awareness campaigns will also, over time, encourage general donations, participation in our fundraising initiatives and secure more corporate and community group partnerships.

Volunteers
Our dedicated team of volunteers play a vital role in raising awareness of our life-saving work, assisting with support in our local communities and helping to increase income. In order to keep all volunteers safe and to abide by the government restrictions and social distancing rules, our volunteers had to be stood down for the entire year. At year end, we had 433 volunteers, slightly up from 432 at the end of last year.

Wellbeing
We continued to demonstrate a commitment to the wellbeing of all our team by promoting, maintaining and enhancing their mental health to maximise effectiveness at work and their general wellbeing. This was especially important during lockdown, with many staff working from home or furloughed. To support staff through this challenging period, we hosted 'let's stay connected' initiatives on Zoom, gave them access to EHAAT Chaplains and a Clinical Psychotherapist and continued to operate our Mental Health Action Group meetings.

d) Financial Review

The consolidated accounts are for Essex and Herts Air Ambulance Trust and its wholly-owned trading subsidiaries Essex & Herts Flight for Life Lottery Limited, Essex & Herts Flight for Life Lottery Operations Limited, Essex & Herts Flight for Life Lottery Critical Care Limited and Essex & Herts Air Ambulance Trading Limited.

The financial highlights of the year include:

- Total incoming resources increased by 5.5% to £17.5m (2020 - £16.6m).
- Total resources expended decreased by 3.5% to £11.3m (2020 - £11.7m).
- Total funds increased to £40.4m (2020 - £32.4m), which includes £11m of designated funds which includes fixed assets, the majority of which is the aircraft, together with the new airbase at North Weald and improvements to facilities at the existing Earls Colne Airbase.

A breakdown of amounts held in specific funds for restricted, unrestricted and designated purposes is shown at note 20 to the financial statements.

Income Generation
The impact of the pandemic on our regular sources of income was significant, with donations and collection tins down by £366k (22.8%) from last year, income from our charity shops down £458k (67%), events down £194k (86.5%) and lottery sales down £282k (2.7%). Despite these challenges, reported total group income (incoming resources) increased in total by £0.9m (5.5%) in the year. This was a result of a strong year for legacies, up £633k or 27% on last year, coupled with the receipt of £1.25m Government funding towards the construction cost of our new airbase at North Weald.

Resources Expended
Total group expenditure (resources expended) decreased by £406k (3.5%) in the year. This was driven by lower levels of expenditure on raising funds down £1.166m, resulting from a fall in staff numbers across the year, no canvassing taking place for the majority of the year for either the lottery or the regular giving programme due to lockdown restrictions, and lower running costs with the charity shops being closed for significant periods during the year. However, expenditure on our charitable activities did increase by £760k over last year, due to a mixture of increased helicopter operating costs, increased costs related to the expanded facilities at Earls Colne and new facilities at North Weald, coupled with expenditure on PPE. The Charity also incurred £4.3m (2020 - £0.9m) of capital expenditure in the year including £3.7m costs on the North Weald Airbase and £0.4m at the Earls Colne Airbase.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Performance Summary

Although underlying levels of income were down on last year, this financial year benefited from some exceptional items such as the unusually high level of legacy income, Government funding in relation to the North Weald airbase and investment gains (see below) resulting in a reported surplus for the year of £7.99m.

Our net cash balances and investments at the year-end were £29.5m, up £3.2m from last year.

Reserves Policy

Unrestricted reserves are freely available to be spent on any of the Charity's purposes; these amounts are contained within the General Fund. In this context, reserves exclude tangible fixed assets held for the Charity's use. The Trustees aspire to hold between 12 and 24 months total expenditure in unrestricted general reserves to safeguard the operation of the service should our income fail or in the event of an unexpected eventuality. Current unrestricted general reserves are in excess of 24 months' total expenditure, however, taking into account the continuing economic uncertainty coupled with the current strategy to expand significantly both service delivery and related fundraising activities in the medium term, the Trustees consider the current levels of reserves to be appropriate in ensuring the Charity remains robust and can continue to operate during this period of great uncertainty. The uncertainty over future income streams and increased expenditure brought about by the coronavirus pandemic has demonstrated the importance of a robust reserves policy. Below is a breakdown of the reserves the Charity has.

	2021	2020
Total reserves	40,416,869	32,425,159
Less:		
Designated reserves	(11,012,200)	(11,261,543)
Restricted reserves	(1,625,083)	(602,410)
Free reserves	**27,779,586**	**20,561,206**

Investments

Our investment portfolio, managed by Aberdeen Standard Capital (formerly known as Standard Life Wealth), increased in market value across the period by £1.9m, having a market value at the year end of £11.2m. The movement in valuation was heavily impacted by the falls seen across global equity markets at the end of the previous financial year triggered by uncertainties arising from the coronavirus pandemic. This meant our portfolio entered this financial year at a low point in its valuation, with last year's valuation losses recovered and reported as gains this year. As equity markets continued to recover throughout the year, the value of our portfolio continued to increase, resulting in an uncrystallised investment gain of £1.9m being reported at the year end. This is a paper gain only, our investments are held for the medium to long term, and are made using professional investment advice. We consider the security of our investments, our future funding needs and market returns available for a given level of risk.

During the year cash reserves of £15m were placed in two liquidity funds managed by Aberdeen Standard Capital. The Trustees' treasury management policy is designed to ensure that the primary objectives of safeguarding EHAAT's assets and limiting its risk are balanced with the achievement of a satisfactory return. Security, liquidity and yield are each assessed for their appropriate balance within the application of the treasury policy.

e) Plans for future

Clinical

The following year will be an exciting one for the Charity. Utilising our two new air bases will allow both internal team development together with that of our and partner organisations.

We will be embarking upon our new clinical strategy, which will explore ways to develop, enhance and engage with other organisations and continue to keep the patient at the forefront of all we do.

This will include areas such as maintaining the highest quality clinical governance, enhanced patient care through the use of innovative techniques, support and training for first responders, continuing to invest in audit and research to develop our clinical practices, maximising the utilisation of the state of the art training facilities available at our new North Weald airbase while seeking to build a reputation as a leading international training centre in Pre-Hospital Care for Trauma, Medical and Cardiac Emergencies.

Operations

Currently, we can only fly during daylight hours. This means we cannot accept a mission in the helicopter when it is dark. We are working with our operator to agree a programme of training and equipment purchase to allow the North Weald Helicopter to fly when it is dark.

Fundraising

In order to address the ever-changing landscape resulting from the pandemic, we will look to reshape our fundraising initiatives in order to accommodate the ways many of us now work, live and socialise. We are also planning a crowdfunding appeal to raise funds for the SimSuite at the new North Weald Airbase. A SimSuite allows the clinical team to recreate a variety of real-life scenarios in a virtual environment. We will develop an events programme that includes more 'virtual' engagement opportunities such as 'MCR – I did it my way' and 'Walk 100 miles' using digital fundraising platforms to help supporters engage and donate more easily. We are also researching various contactless options, which will be trialled in 2021 – again enabling easier engagement for supporters.

In addition, we will focus on our core areas of income diversification, including:

- **Regular Giving** - our aim over the coming years is to maximise lead generation through initiatives such as Value Exchange whilst increasing conversion with a Regular Giving ask. We will also aim to optimise existing recruitment channels to improve overall ROI, and we plan to reward and retain existing regular givers through the launch of a loyalty programme.
- **Retail Growth** – we will be driving our new 3-year strategy forward, starting with an operations plan to ensure successful implementation of key stages. The appointment of a Retail Income Revenue Manager will be pivotal to our plans.
- **Head of Philanthropy** will be appointed to develop, implement and lead our major giving programme across Essex & Hertfordshire.

New Digital Interaction Projects

The world in which we now live and the way in which we interact as a society has changed due to the pandemic and the challenge for the Marketing and Communications team in the year ahead will be to continue to develop new ways of engaging with our supporters. There are a number of key projects we will be working on that will help to address the above, whilst improving efficiencies and productivity.

- **Website** - firstly, and most importantly, will be the redevelopment of the EHAAT website. Plans to develop and launch a new website by the end of 2022 are being worked on to allow supporters to easily navigate around the site. With so much of our face-to-face fundraising initiatives and events at risk, the website will become even more important for interacting with supporters and collecting donations. To help maximise in memory donations, we will also be looking to introduce a special 'tribute page' on our website, which will be supported by Much Loved, a bespoke software product. We need to explore the new technology that is now available, which will enhance the user experience.

- **Customer Relationship Management (CRM) System** – another key project planned for the coming year is the integration of our customer relationship management system with the newly developed website, which will continue to protect our supporters' data, further reducing errors and resource needed.

- **Project Management System** - we will also look to introduce a cost-effective new project management system that will be utilised by the team, other departments and external suppliers that will bring in new efficiencies, increase productivity and allow for improved reporting on marketing and communications activity.

- **Interactive Visitor Centre** - As part of the new North Weald development, we will be working on installing the final stages of the interactive experiences for our new Visitor Centre, ready for welcoming visitors in autumn 2021.

f) Development of Key Partnerships and Relationships

The Covid19 pandemic resulted in the strengthening of communication and relationships within the air ambulance community across all disciplines throughout the UK. This was largely driven by the newly formed Air Ambulances UK (AAUK), the membership association for the sector. We continue to work especially closely with our neighbouring air ambulances, including EAAA, MAGPAS Air Ambulance, London's Air Ambulance and Air Ambulance Kent Surrey Sussex together with EEAST, sharing knowledge and operating practices throughout the pandemic. This new level of collaboration was recognised by the following quote from the Interim Chief Executive of EEAST

"In the East of England we enjoy the privilege of working with Essex and Herts Air Ambulance (EHAAT). EHAAT are one of the UK's leading air ambulance charities who support the East of England Ambulance Service (EEAST) by attending hundreds of patients every year and delivering high-quality critical care. It is fantastic to see the new airbase that EHAAT have opened, and we look forward to seeing further developments at EHAAT. The Essex and Herts Air Ambulance and EEAST have enjoyed an excellent working relationship and we look forward to continuing this over the coming years."

We sit on the recently established National HEMS Research Forum which came about with the need for increased shared knowledge from the pandemic.

There are, amongst other workstreams, collaborative research projects with neighbouring Air Ambulances (EAAA & MAGPAS), including a tasking project.

The ultimate goal of the project is to develop a tool to help improve the efficiency of tasking, but initial analyses will look at differences between clinician and non-clinician dispatchers and whether particular AMPDS codes are associated with patients being attended and delivery of HEMS-specific interventions.

g) Principal Risks and Uncertainties

The Trust operates a bespoke risk management software system. The Trustees have a risk management approach that comprises:

- An ongoing review of the risks the Trust may face, with risks being entered onto a risk register. The Executive Team reviews risk each month. The register is discussed at least twice a year at board meetings and by the Audit & Risk Committee.
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise any potential impact on the Trust should those risks materialise
- Use of a risk management system for all clinical occurrences, reviewed by the Clinical Risk and Safety Committee.

The Trustees consider that the most significant risks to the Trust are: an inability to operate the aircraft due to failings outside of our control; financial risks associated with a cyber-attack; and reputational risk due to adverse publicity against the Trust or charity sector in general impacting the ability to raise funds. The Trust is satisfied that the major risks have been mitigated where possible.

Trustees' Responsibilities in Relation to the Financial Statements

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure, of the charitable company and the 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 Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the 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 Trust and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the Trust's auditors are unaware
- As the Trustees of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of the information

Auditors

A resolution will be considered to reappoint Crowe UK LLP as auditors to the Trust for the ensuing year.

Approved by order of the members of the board of Trustees on 2/12/2021 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST

Opinion

We have audited the financial statements of Essex & Herts Air Ambulance Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

Other information

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 an understanding of the legal and regulatory frameworks within which the company 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, Charities Act 2011 and SORP 2015.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESSEX & HERTS AIR AMBULANCE TRUST (CONTINUED)

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Weekes (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Riverside House

40 - 46 High Street

Maidstone

Kent

ME14 1JH

Date: 21st December 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and legacies	4	**154,122**	**4,852,940**	**5,007,062**	*4,680,895*
Charitable activities	5	**1,611,509**	**262,159**	**1,873,668**	*355,570*
Other trading activities	6	**10,086,752**	**302,730**	**10,389,482**	*11,300,140*
Investments	7	**-**	**237,568**	**237,568**	*254,330*
Total income		**11,852,383**	**5,655,397**	**17,507,780**	*16,590,935*
Expenditure on:					
Raising funds		**1,812,775**	**2,155,200**	**3,967,975**	*5,134,156*
Charitable activities		**7,361,639**	**-**	**7,361,639**	*6,601,166*
Total expenditure		**9,174,414**	**2,155,200**	**11,329,614**	*11,735,322*
Operating Surplus		**2,677,969**	**3,500,197**	**6,178,166**	*4,855,613*
Net gains/(losses) on investments		**-**	**1,813,544**	**1,813,544**	*(603,509)*
Net income		**2,677,969**	**5,313,741**	**7,991,710**	*4,252,104*
Transfers between funds	20	**(1,655,296)**	**1,655,296**	**-**	*-*
Net movement in funds		**1,022,673**	**6,969,037**	**7,991,710**	*4,252,104*
Reconciliation of funds:					
Total funds brought forward		**602,410**	**31,822,749**	**32,425,159**	*28,173,055*
Net movement in funds		**1,022,673**	**6,969,037**	**7,991,710**	*4,252,104*
Total funds carried forward		**1,625,083**	**38,791,786**	**40,416,869**	*32,425,159*

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 54 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Intangible assets	13		**24,547**		*40,787*
Tangible assets	14		**10,987,649**		*7,205,552*
Investments	15		**26,248,570**		*19,258,367*
			37,260,766		*26,504,706*
Current assets					
Stocks	16	**35,302**		*31,248*	
Debtors	17	**1,448,790**		*1,016,417*	
Investments	18	-		*3,000,000*	
Cash at bank and in hand		**3,271,695**		*4,009,464*	
		4,755,787		*8,057,129*	
Creditors: amounts falling due within one year	19	**(1,599,684)**		*(2,136,676)*	
Net current assets			**3,156,103**		*5,920,453*
Total net assets			**40,416,869**		*32,425,159*
Charity funds					
Restricted funds	20		**1,625,083**		*602,410*
Unrestricted funds	20		**38,791,786**		*31,822,749*
Total funds			**40,416,869**		*32,425,159*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 2/12/2021 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

The notes on pages 29 to 54 form part of these financial statements.

ESSEX & HERTS AIR AMBULANCE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 05397840

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Intangible assets	13		**24,547**		*40,787*
Tangible assets	14		**10,987,649**		*7,205,552*
Investments	15		**26,248,574**		*19,258,371*
			37,260,770		*26,504,710*
Current assets					
Stocks	16	**35,302**		*31,248*	
Debtors	17	**3,214,627**		*2,183,096*	
Investments	18	**-**		*3,000,000*	
Cash at bank and in hand		**986,111**		*2,084,901*	
		4,236,040		*7,299,245*	
Creditors: amounts falling due within one year	19	**(1,079,945)**		*(1,378,797)*	
Net current assets			**3,156,095**		*5,920,448*
Total net assets			**40,416,865**		*32,425,158*
Charity funds					
Restricted funds			**1,625,083**		*602,410*
Unrestricted funds			**38,791,782**		*31,822,748*
Total funds			**40,416,865**		*32,425,158*

The Company's net movement in funds for the year was £7,991,707 (2020 - £4,252,105).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 2/12/2021 and signed on their behalf by:

Jonathan Trower

Jonathan Trower

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash generated in operating activities	22	**5,418,023**	*5,320,977*
Cash flows from investing activities			
Dividends, interests and rents from investments		**237,568**	*254,330*
Proceeds from the sale of tangible fixed assets		**8,816**	*1,042*
Purchase of tangible and intangible assets		**(4,344,556)**	*(904,092)*
Proceeds from sale of investments		**3,897,552**	*3,713,893*
Purchase of investments		**(8,955,172)**	*(14,581,433)*
Net cash used in investing activities		**(9,155,792)**	**(11,516,260)**
Cash flows from financing activities			
Net cash provided by financing activities		**-**	**-**
Change in cash and cash equivalents in the year		**(3,737,769)**	**(6,195,283)**
Cash and cash equivalents at the beginning of the year	23	**7,009,464**	*13,204,747*
Cash and cash equivalents at the end of the year		**3,271,695**	*7,009,464*

The notes on pages 29 to 54 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Essex and Herts Air Ambulance Trust is a company limited by guarantee (registered number 05397840) which is incorporated and domiciled in England. It is also registered as a charity with the Charity Commission (registered number 1108989). The address of the registered office is The Business Centre, Earls Colne Business Park, Earls Colne Colchester, Essex, CO6 2NS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the impact of Covid 19 by assessing the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2. Accounting policies (continued)

2.2 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or fulfillment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example, the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset being transferred to the charity. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Goods donated for resale are included in the accounts when the items are sold.

The Charity receives grants in respect of furthering its charitable activities. Income from grants is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Dividend income is recognised as the charity's right to receive payment is established.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2. Accounting policies (continued)

2.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations, costs of trading activities and the running of fundraising events during the reporting period; and
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Salary costs are attributed to projects based on direct salary costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources. All costs were allocated on the basis of staff time, with the exception of property costs which were allocated by areas used.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.5 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2.6 Intangible assets and amortisation

Intangible assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

2. Accounting policies (continued)

2.6 Intangible assets and amortisation (continued)

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	-	4 years straight line

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £3,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Short-term leasehold property	- Straight line over the length of the lease
Helicopter	- 20 years straight line
Motor vehicles	- 2-4 years straight line
Fixtures and fittings and computer equipment	- 2-4 years straight line
Clinical equipment	- 3-4 years straight line

2.8 Investments

The investments held by the charity are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the quoted market price. All gains and losses are taken to the Statement of Financial Activities as they arise.

The statement of financial activities includes the net gains and losses on revaluation and disposals throughout the year.

Current asset investments are short term deposits and are held at face value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2. Accounting policies (continued)

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

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

2.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgment

The following judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements:

Critical accounting estimates and assumptions:

- Depreciation rates for tangible fixed assets
- Income recognition of legacies and grants
- Residual value and useful life of helicopter

4. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	154,122	1,043,571	**1,197,693**
Legacies	-	2,978,478	**2,978,478**
In-memoria	-	327,516	**327,516**
Collection Tins	-	42,839	**42,839**
Similar incoming resources	-	460,536	**460,536**
	154,122	4,852,940	**5,007,062**

	Unrestricted funds 2020 £	*Total funds 2020 £*
Donations	*1,502,918*	*1,502,918*
Legacies	*2,345,263*	*2,345,263*
In-memoria	*272,044*	*272,044*
Collection Tins	*103,989*	*103,989*
Similar incoming resources	*456,681*	*456,681*
	4,680,895	*4,680,895*

5. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Grant-making trusts	1,611,509	262,159	**1,873,668**

Included within restricted funds above is £1,254,706 in respect of Government Funding received towards the construction cost of our new airbase at North Weald. Also included is £140,000 received as part of the UK Government's one-off £22m funding for life saving charities during the Covid 19 pandemic together with £175,132 received from the UK Government's job retention scheme supporting our staff while our charity shops had to close temporarily due to the pandemic.

5. Income from charitable activities (continued)

	Restricted funds 2020 £	*Unrestricted funds 2020* £	*Total funds 2020* £
Grant-making trusts	*262,102*	*93,468*	*355,570*

6. Income from other trading activities

Income from non charitable trading activities

	Restricted funds 2021 £	**Unrestricted funds 2021** £	**Total funds 2021** £
Income from lottery	10,086,752	-	**10,086,752**
Fundraising events	-	30,281	**30,281**
Merchandise sales	-	11,909	**11,909**
Charity shop income	-	228,923	**228,923**
Other	-	31,617	**31,617**
	10,086,752	302,730	**10,389,482**

	Restricted funds 2020 £	*Unrestricted funds 2020* £	*Total funds 2020* £
Income from lottery	*3,904,309*	*6,464,712*	*10,369,021*
Fundraising events	-	*223,902*	*223,902*
Merchandise sales	-	*19,884*	*19,884*
Charity shop income	-	*687,333*	*687,333*
	3,904,309	*7,395,831*	*11,300,140*

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Dividends	229,828	**229,828**
Interest	7,740	**7,740**
	237,568	**237,568**

	Unrestricted funds 2020 £	*Total funds 2020 £*
Dividends	*201,548*	*201,548*
Interest	*52,782*	*52,782*
	254,330	*254,330*

8. Support costs

Analysis of support costs

	Raising funds 2021 £	Charitable activities 2021 £	Total funds 2021 £
Operations and support costs	-	72,670	**72,670**
Premises costs	170,807	-	**170,807**
Other employment costs	32,880	55,485	**88,365**
Head office costs	261,141	-	**261,141**
Governance costs	4,824	28,997	**33,821**
Wages and salaries	1,087,069	545,551	**1,632,620**
Depreciation and amortisation	45,367	-	**45,367**
	1,602,088	702,703	**2,304,791**

	Raising funds 2020 £	*Charitable activities 2020 £*	*Total funds 2020 £*
Operations and support costs	-	*89,279*	*89,279*
Premises costs	*171,637*	-	*171,637*
Other employment costs	*104,626*	*56,716*	*161,342*
Head office costs	*316,843*	-	*316,843*
Governance costs	*4,667*	*19,026*	*23,693*
Wages and salaries	*1,206,476*	*579,705*	*1,786,181*
Depreciation and amortisation	*53,847*	-	*53,847*
	1,858,096	*744,726*	*2,602,822*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Helicopter Emergency Medical Service	6,658,936	702,703	**7,361,639**

	Activities undertaken directly 2020 £	*Support costs 2020 £*	*Total funds 2020 £*
Helicopter Emergency Medical Service	*5,856,440*	*744,726*	*6,601,166*

Analysis of direct costs

	Total funds 2021 £	*Total funds 2020 £*
Depreciation	**502,303**	*493,603*
Helicopter and Rapid Response Vehicle	**3,437,126**	*2,908,532*
Clinical costs	**2,395,538**	*2,207,162*
Airbase premises costs	**323,969**	*247,143*
Total 2021	**6,658,936**	*5,856,440*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	*Total funds 2020 £*
Staff costs	**545,551**	*579,705*
Operations and support costs	**72,670**	*89,279*
Other employment costs	**55,485**	*56,716*
Governance costs	**28,997**	*19,026*
	702,703	*744,726*

10. Goverance costs

	2021 £	*2020 £*
Auditors' remuneration	**28,850**	*28,150*
Auditors' remuneration - other services	**-**	*351*
Trustees meetings	**-**	*963*
Trustee indemnity insurance	**3,237**	*2,858*
Legal, consultancy and other fees	**18,870**	*2,555*

11. Staff costs

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Wages and salaries	**1,806,604**	*1,972,527*	**1,806,604**	*1,972,527*
Social security costs	**170,211**	*182,112*	**170,211**	*182,112*
Contribution to defined contribution pension schemes	**112,212**	*113,664*	**112,212**	*113,664*
	2,089,027	*2,268,303*	**2,089,027**	*2,268,303*

11. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	*Group 2020 No.*
Charitable activities	**9**	*9*
Raising funds	**32**	*39*
Lottery	**3**	*3*
Retail	**27**	*24*
	71	*75*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	*Group 2020 No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £80,001 - £90,000	**1**	*1*
In the band £120,001 - £130,000	**1**	*1*

The total amount of employee benefits received by key management personnel is £477,370 (2020 - £491,614). This includes bonus amounts earned but not yet paid. The charity considers its key management personnel to be the Trustees and the Executive Team as listed in the charity information page.

There was an amount due at the year end to one member of Key Management Personnel of £15,000 (2020 - £15,000).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 March 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

13. Intangible assets

Group and Company

	Computer software £
Cost	
At 1 April 2020	**115,893**
At 31 March 2021	**115,893**
Amortisation	
At 1 April 2020	**75,106**
Charge for the year	**16,240**
At 31 March 2021	**91,346**
Net book value	
At 31 March 2021	**24,547**
At 31 March 2020	*40,787*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14. Tangible fixed assets

Group and Company

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2020	**1,241,229**	**6,959,338**	**340,191**	**212,953**	**386,697**	**9,140,408**
Additions	**4,091,574**	**27,983**	**-**	**109,270**	**115,729**	**4,344,556**
Disposals	**(58,503)**	**-**	**(21,763)**	**-**	**-**	**(80,266)**
At 31 March 2021	**5,274,300**	**6,987,321**	**318,428**	**322,223**	**502,426**	**13,404,698**
Depreciation						
At 1 April 2020	**336,966**	**927,912**	**238,074**	**145,360**	**286,544**	**1,934,856**
Charge for the year	**50,561**	**349,064**	**70,686**	**26,029**	**60,441**	**556,781**
On disposals	**(52,825)**	**-**	**(21,763)**	**-**	**-**	**(74,588)**
At 31 March 2021	**334,702**	**1,276,976**	**286,997**	**171,389**	**346,985**	**2,417,049**
Net book value						
At 31 March 2021	**4,939,598**	**5,710,345**	**31,431**	**150,834**	**155,441**	**10,987,649**
At 31 March 2020	*904,263*	*6,031,426*	*102,117*	*67,593*	*100,153*	*7,205,552*

15. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2020	**19,258,367**
Additions	**9,013,128**
Disposals	**(4,132,866)**
Movements in fair value	**1,932,579**
Dividends retained	**229,828**
Investment manager fee	**(52,466)**
At 31 March 2021	**26,248,570**
Net book value	
At 31 March 2021	**26,248,570**
At 31 March 2020	*19,258,367*

15. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2020	**4**	**19,258,367**	**19,258,371**
Additions	**-**	**9,013,128**	**9,013,128**
Disposals	**-**	**(4,132,866)**	**(4,132,866)**
Movements in fair value	**-**	**1,932,579**	**1,932,579**
Dividends retained	**-**	**229,828**	**229,828**
Investment manager fee	**-**	**(52,466)**	**(52,466)**
At 31 March 2021	**4**	**26,248,570**	**26,248,574**
Net book value			
At 31 March 2021	**4**	**26,248,570**	**26,248,574**
At 31 March 2020	*4*	*19,258,367*	*19,258,371*

16. Stocks

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Finished goods and goods for resale	**35,302**	*31,248*	**35,302**	*31,248*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Debtors

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Due within one year				
Trade debtors	**2,672**	*6,530*	**2,588**	*6,220*
Amounts owed by group undertakings	**-**	*-*	**1,815,209**	*1,198,114*
Other debtors	**4,870**	*4,570*	**4,560**	*4,560*
Prepayments and accrued income	**440,522**	*473,079*	**391,544**	*441,964*
Tax recoverable	**95,902**	*105,693*	**95,902**	*105,693*
Legacy Debtor	**904,824**	*426,545*	**904,824**	*426,545*
	1,448,790	*1,016,417*	**3,214,627**	*2,183,096*

18. Current asset investments

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Short term fixed deposits	**-**	*3,000,000*	**-**	*3,000,000*

19. Creditors: Amounts falling due within one year

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade creditors	**178,474**	*1,125,181*	**178,474**	*1,076,893*
Other taxation and social security	**42,453**	*46,204*	**42,454**	*46,204*
Other creditors	**501,374**	*716,837*	**4,131**	*28,673*
Accruals and deferred income	**877,383**	*248,454*	**854,886**	*227,027*
	1,599,684	*2,136,676*	**1,079,945**	*1,378,797*

	Group 2021 £	*Group 2020 £*
Deferred income at 1 April 2020	**682,073**	*664,567*
Resources deferred during the year	**479,095**	*682,073*
Amounts released from previous periods	**(682,073)**	*(664,567)*
	479,095	*682,073*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Fixed asset fund	7,205,552	-	(573,021)	4,379,669	-	11,012,200
North Weald development	3,730,991	-	-	(3,730,991)	-	-
Earls Colne development	325,000	-	-	(325,000)	-	-
	11,261,543	-	(573,021)	323,678	-	11,012,200
General funds						
General Funds	20,561,206	5,655,397	(1,582,179)	1,331,618	1,813,544	27,779,586
Total Unrestricted funds	31,822,749	5,655,397	(2,155,200)	1,655,296	1,813,544	38,791,786
Restricted funds						
Restricted Fund	602,410	11,852,383	(9,174,414)	(1,655,296)	-	1,625,083
Total of funds	32,425,159	17,507,780	(11,329,614)	-	1,813,544	40,416,869

The designated funds for the Earls Colne and North Weald represented the anticipated costs of the development of the air bases and the expenditure. These funds have now been invested in the fixed assets as designated and as such have been transferred to the fixed asset fund.

Restricted funds represent the funds received from Essex Herts Flight For Life Lottery Critical Care Limited that are to be spent on critical care within the Trust.

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
Designated funds						
Fixed asset fund	6,901,417	-	(562,787)	866,922	-	7,205,552
North Weald development	4,500,000	-	-	(769,009)	-	3,730,991
Earls Colne development	250,000	-	-	75,000	-	325,000
	11,651,417	-	(562,787)	172,913	-	11,261,543
General funds						
General Funds	16,520,854	12,424,524	(7,650,875)	(129,788)	(603,509)	20,561,206
Total Unrestricted funds	28,172,271	12,424,524	(8,213,662)	43,125	(603,509)	31,822,749
Restricted funds						
Restricted Funds - all funds	784	4,166,411	(3,521,660)	(43,125)	-	602,410
Total of funds	28,173,055	16,590,935	(11,735,322)	-	(603,509)	32,425,159

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	10,987,649	**10,987,649**
Intangible fixed assets	-	24,547	**24,547**
Fixed asset investments	-	26,248,570	**26,248,570**
Current assets	1,625,083	3,130,704	**4,755,787**
Creditors due within one year	-	(1,599,684)	**(1,599,684)**
Total	1,625,083	38,791,786	**40,416,869**

Analysis of net assets between funds - prior year

	Restricted funds 2020 £	*Unrestricted funds 2020 £*	*Total funds 2020 £*
Tangible fixed assets	-	*7,205,552*	*7,205,552*
Intangible fixed assets	-	*40,787*	*40,787*
Fixed asset investments	-	*19,258,367*	*19,258,367*
Current assets	*602,410*	*7,454,719*	*8,057,129*
Creditors due within one year	-	*(2,136,676)*	*(2,136,676)*
Total	*602,410*	*31,822,749*	*32,425,159*

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	*Group 2020 £*
Net income for the year (as per Statement of Financial Activities)	**7,991,710**	*4,252,104*
Adjustments for:		
Depreciation and amortisation charges	**573,021**	*562,787*
Losses/(gains) on investments	**(1,932,579)**	*603,509*
Dividends, interests and rents from investments	**(237,568)**	*(254,330)*
Loss/(profit) on the sale of fixed assets	**(3,134)**	*339*
Increase in stocks	**(4,054)**	*(11,487)*
Increase in debtors	**(432,375)**	*(583,506)*
Increase/(decrease) in creditors	**(536,998)**	*751,561*
Net cash provided by operating activities	**5,418,023**	*5,320,977*

23. Analysis of cash and cash equivalents

	Group 2021 £	*Group 2020 £*
Cash in hand	**3,271,695**	*4,009,464*
Current asset investments	**-**	*3,000,000*
Total cash and cash equivalents	**3,271,695**	*7,009,464*

24. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**4,009,464**	**(737,769)**	**3,271,695**
Liquid investments	**3,000,000**	**(3,000,000)**	**-**
	7,009,464	**(3,737,769)**	**3,271,695**

25. Capital commitments

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	**291,140**	*3,677,221*	**291,140**	*3,677,221*

26. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £112,473 (2020 - £113,664). Contributions totalling £63 (2020 - £29,054) were payable to the fund at the balance sheet date and are included in creditors

27. Operating lease commitments

At 31 March 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Land and buildings				
Not later than 1 year	**386,280**	*300,017*	**386,280**	*300,017*
Later than 1 year and not later than 5 years	**1,473,058**	*1,077,556*	**1,473,058**	*1,077,556*
Later than 5 years	**1,925,156**	*2,114,035*	**1,925,156**	*2,114,035*
	3,784,494	*3,491,608*	**3,784,494**	*3,491,608*

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Company 2021 £	*Company 2020 £*
Land and building lease costs	**382,642**	*345,993*
Helicopter lease costs	**2,698,629**	*2,105,714*

28. Related party transactions

Information about related party transactions and outstanding balances is outlined below:

D Hayward is a Trustee of the Charity and is also a partner in a firm of solicitors, Nockolds. During the year the Charity purchased legal services from Nockolds, amounting to £23,774 including VAT (2020 - £42,084). There was £nil outstanding at the year end (2020 - £4,040).

P Caborn was a Trustee of the Charity for the period to 10 September 2020 and was also a commercial director at Global Radio Services Ltd. During the year the Charity paid £nil including VAT (2020 - £34,279) in advertising fees to the company, which was at a market rate. There was £nil outstanding at the year end (2020 - £1,978).

Other than the above and the transactions identified within Note 12, there have been no other related party transactions.

29. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
Essex and Herts Flight For Life Lottery Limited	04269794	Same as parent company - see company information page	Ordinary	100%	Yes
Essex & Herts Air Ambulance Trading Limited	03739217	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Operations Limited	11995048	Same as parent company	Ordinary	100%	Yes
*Essex & Herts Flight For Life Lottery Critical Care Limited	11995133	Same as parent company	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Essex and Herts Flight For Life Lottery Limited	**6,623**	**-**	**6,623**	**2**
Essex & Herts Air Ambulance Trading Limited	**15,094**	**12,153**	**2,941**	**2**
*Essex & Herts Flight For Life Lottery Operations Limited	**4,819,070**	**548,249**	**4,270,823**	**2**
*Essex & Herts Flight For Life Lottery Critical Care Limited	**5,267,682**	**724,864**	**4,542,820**	**2**

*indirect subsidiaries