

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**CORNWALL AIR AMBULANCE TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Royal Patron	Her Majesty the Queen
President	Colonel Sir Edward Bolitho KCVO OBE
Vice President	Mrs B Sharples
Trustees	Mr B S Mark, Chair
	Mr M M P Carne CBE (resigned 13 December 2023)
	Mr S A Carr (resigned 7 December 2023)
	Mr R Cowie
	Mr D Scott
	Mrs D Griffith
	Ms L A McKay
	Mr N Lentern
	Mr T P Reed (appointed 3 July 2023)
Company registered number	07085879
Charity registered number	1133295
Company secretary	Mr A Whitton
Senior leadership team	Mr T Bunting, Chief Executive Officer
	Mr A Whitton Head of Finance & Business Intelligence
	Mr A Evans, Head of Operations

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Bankers HSBC plc
17 Boscawen Street
Truro
Cornwall
TR1 2QZ

Legal advisers Stephens Scown
Osprey House
Malpas Road
Truro
Cornwall
TR1 1UT

Investment managers Quilter Cheviot
One Kingsway
London
WC2B 6AN

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The relentless pace of change at Cornwall Air Ambulance Trust continues and, as we grow both the capacity and the life-saving capability of our operation, I would like to pay tribute to the many people whose efforts enable all that we do. We cannot function without the immense generosity of the general public – the kind and generous donations, large and small, the thoughtful legacies, the regular lottery entries – it is all greatly appreciated. This generosity is also evident in our wonderful team of volunteers, who give their time and skill to support our work. Our partners in industry play an extremely important role in ensuring that your helicopter is able to fly. Finally, of course, our brilliant staff, both in the air and the ground, are pivotal in enabling the life-saving care that we provide every day.

Turning now to another group of volunteers, we welcome a new Trustee, Paul Reed, to the team. Paul's extensive finance and accountancy experience will greatly strengthen our Board and we look forward to working with him over the coming years.

We say goodbye and extend our thanks to two Board members, Trustee Simon Carr and Chair, Mark Carne. Simon served on the Board with distinction for 5 years, applying his insightful legal mind to our deliberations and adding greatly to the quality of governance. Mark's tenure as Chair saw him bring his extensive commercial and leadership experience to many of our current challenges, not least the planned acquisition of our second AW169 helicopter and the associated contractual complexities. Mark's boundless enthusiasm, energy, and passion for all that CAAT does will be greatly missed.

At the time of writing, we are in the process of recruiting a new Chair and we will look to further strengthen the Board with additional trustees. This work is happening in parallel with an extensive governance review, ensuring that all of our processes and policies are aligned with our values and that we are ready for the arrival of a new helicopter, new clinicians, and a substantial uplift in our ability to save lives in Cornwall.

Exciting times – thank you for your continued support.



Mr B Mark

Interim Chair

Date: *12 September 2024*

CHIEF EXECUTIVE OFFICERS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

I am delighted to present our annual report and accounts for 2023. It was a pivotal year in the development of your charity, where a new clinical model was agreed to ensure we remain at the forefront of critical care both now and in the future. The permanent addition of doctors to our crew gives us a complete clinical skillset, enabling us to do more, for more. This, when combined with the purchase of a second lifesaving AW169 helicopter, due to be in service in early 2025, will give the people of Cornwall and the Isles of Scilly the very best critical care air ambulance service possible.

To have a second aircraft will provide the most advanced care, enabling us to fly more missions and save more lives. It is a huge ask to raise the £2.85M to bring #Heli2 home, but it is a challenge I am confident can be met, due to the magnificent support we are privileged to enjoy which allows us to respond to those in need. That need is sadly growing with mission numbers rising 10% year on year and in 2023, we were tasked 1,160 times.

In 2023 we adopted new organisational values, reflecting an ethos we all aspire to. These are:

- Kindness
- Respect
- Integrity
- Progressive
- Teamwork

We will shortly launch a new strategy, underpinning our desire to be the best critical care Air Ambulance service serving the people of Cornwall and the Isles of Scilly. This is based on 3 pillars: Operational Excellence, Exceptional Supporter Engagement and Highest Quality Intelligence and Insight. Underpinning all of this is ensuring we have 'The Best People' who are valued whatever their role, paid or voluntary.

Whilst we are not driven by accolades or plaudits, it was a fitting recognition that our often-overlooked Finance and Business Intelligence team won 'Team of the Year' at the Air Ambulances UK Awards. Our brilliant Marketing and Fundraising team also collected the 'Campaign of the Year' award for the 'Help Holly' Christmas appeal.

The completion of the new operations wing now gives our aircrew state-of-the art facilities with improvements in the hangar being undertaken including more energy-efficient lighting. Our retail stores are an important part of our charity, selling over 360,000 donated items in 2023. We are going to be refurbishing them over the next few years, with plans to open new shops ensuring pre-loved items get a second lease of life and reduce waste.

With nearly 250 Groundcrew volunteers donating thousands of hours of time and expertise, supported by a staff team of over 50 based across 8 sites, every life saved is due to a huge collective effort. Whether a supporter, fundraiser or just taking an interest, every single bit of support is hugely appreciated.

A massive thank you on behalf of everyone that we can help.

We are your charity, saving even more lives!



Tim Bunting

Chief Executive Officer

Date: *12 September 2024*

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees (who are also Directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Cornwall Air Ambulance Trust for the year 1 January 2023 to 31 December 2023.

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity and the group qualify as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

The principal objective of the charity is relieving pain and sickness for the benefit of the public by assisting in the provision of emergency medical services and equipment, in particular the provision of an air ambulance service or other emergency transportation, primarily in Cornwall and the Isles of Scilly. These are the purposes of the charity as set out in its Governing documents. The charity serves a local community of around 570,000 people, together with over 5 million visitors who come to the region every year.

The charity relies on the local community to raise sufficient funds to deliver the service without receiving regular government funding or support from the National Lottery. The charity's Critical Care Teams of Paramedics, Doctors and Pilots provide enhanced emergency medical services to the most seriously ill and injured patients throughout Cornwall and the Isles of Scilly. These services are delivered in partnership with the South Western Ambulance Service NHS Foundation Trust (SWASfT) who support the delivery of the clinical services and Castle Air, based in Liskeard, who operate a Leonardo AW169, registration G-CRWL.

The charity also operates two critical care cars, which were upgraded in 2021, carrying the same specialist lifesaving equipment, specialist drugs and the same crew who would normally fly on the air ambulance helicopter. These cars provide a backup service if the helicopter is unavailable, predominantly due to poor weather.

Public Benefit

The public benefit provided by the charity is to anyone and everyone in Cornwall and the Isles of Scilly, including residents and visitors, and although primarily in the County of Cornwall, also extends to Devon and beyond when required. The Cornwall Air Ambulance is free at the point of need, on the grounds of fixed sets of criteria which take into account clinical need, urgency, accessibility, and distance to hospital. These criteria are regularly reviewed and rigorously applied. No private benefit use of the Cornwall Air Ambulance helicopter is given to anyone at any time.

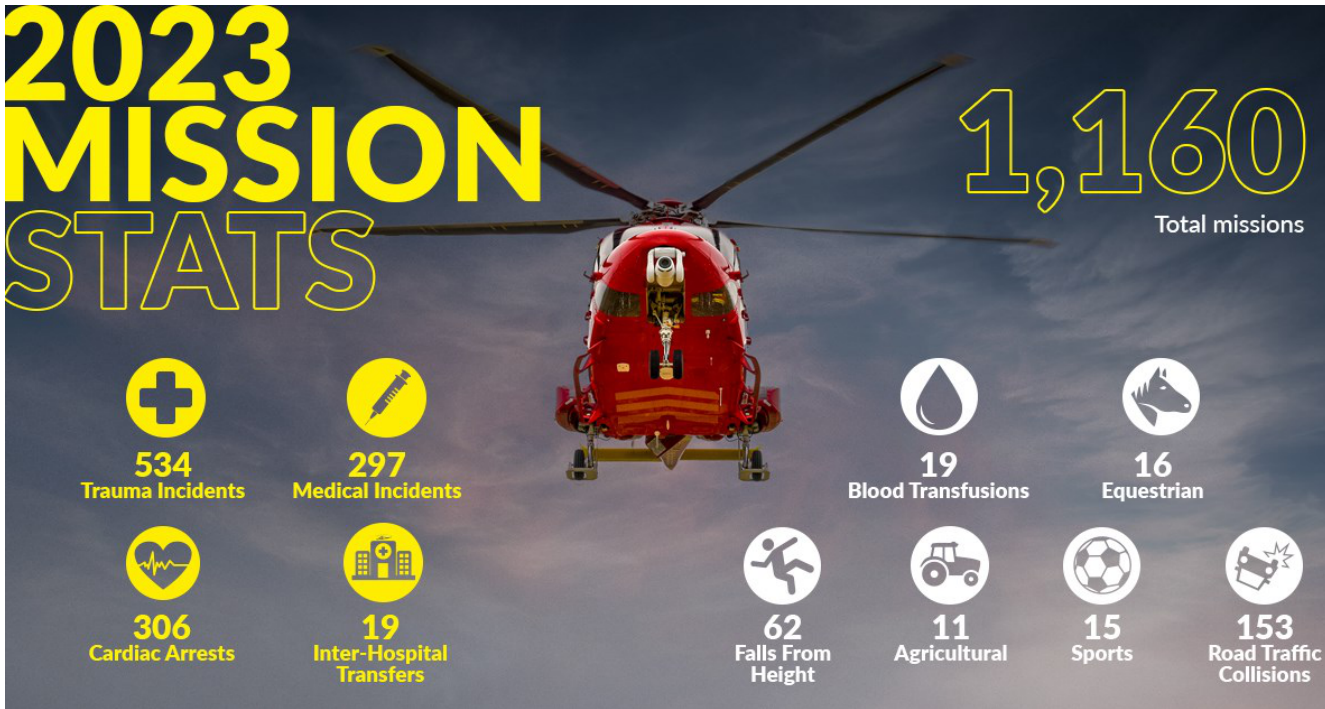
The Trustees run the charity with due regard to the public benefit guidance issued by The Charity Commission and the Charity Act 2011.

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

STRATEGIC REVIEW

Throughout the year, the critical care team delivered a total of 19 blood transfusions at the scene of an incident and carried out 19 inter-hospital transfers.

These missions would not be possible without the generosity of our supporters, who enable us to help those who are critically ill or injured across Cornwall and the Isles of Scilly.



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

“If they didn’t come and help me, I would have died.”

Over the course of 2023 we spoke to numerous former patients, who shared their personal stories with us about how they had been helped by the aircrew. One of those people was Aimee McGall, who was involved in a serious crash on the A30 between Bodmin and Launceston.

Critical Care Paramedics Thomas Hennessy Jones and Lisa Ball were tasked in a Rapid Response Vehicle, due to adverse weather conditions. On scene, the crew checked Aimee’s vital signs and worked to identify her injuries, there were fears she may have been suffering from internal bleeding. She needed to be given a strong sedative so she could be safely extricated from the vehicle. The crew cannulated Aimee and administered ketamine. Once she was cut out of the car, a full assessment was carried out and she was placed onto a scoop stretcher.

18-year-old Aimee was conveyed to Derriford Hospital via land ambulance. Thomas travelled with her, monitoring her observations, and making sure her condition did not deteriorate. She had suffered multiple injuries including a five-centimetre tear to the body’s main artery, a broken collar bone, three broken ribs, she had damaged a kidney and her liver, shattered her pelvis in four places and damaged her optic nerve causing partial blindness in her right eye.

Aimee underwent several surgeries and spent two weeks in hospital. Her recovery has been a long process and involved having to learn to walk again. She has since visited our HQ to thank Thomas and Lisa. She said: “They’re amazing really, if they didn’t come and help me, I would have died.”



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

“If we didn’t have that service here, I don’t know what anybody would do.”

As an avid viewer of Cornwall Air 999, Grandmother Debbie Pascoe never thought she would need the help of Cornwall Air Ambulance herself.

Last summer, Debbie was heading downstairs in her home in St Columb Major when she slipped, hitting the corner and landing at the bottom of the stairs. Debbie had suffered an open compound fracture to her left ankle and Cornwall Air Ambulance was tasked to the scene. Critical Care Paramedics Paul Maskell and Jeremy Griffiths administered ketamine so they could stabilise her leg.

She was taken to Derriford Hospital where she underwent surgery and remained for five days. Just two weeks later she visited the airbase to say thank you and has since met Paul and Jeremy again.

She said: “It sounds a bit silly, but I’ve always said if ever I was in need of anybody, I would want Paul and Jeremy to come to my rescue, never in a million years thinking that I would need that help. I had three heroes looking after me that evening, my daughter Sherrie, Paul, and Jeremy, and I’m just so thankful. If we didn’t have that service here, I don’t know what anybody would do.”



Defibrillators installed across the charity

12 defibrillators have been installed across Cornwall Air Ambulance HQ, in its furniture collection vans and in its seven charity shops, to help anyone who suffers a cardiac arrest. We also have one for use at our charity events, again to help improve a patient's chances if a medical emergency should occur. In 2023, Cornwall Air Ambulance responded to 306 cardiac arrests. That is over 25% of all missions last year. Having access to defibrillators in our shops, vans and here at our headquarters means that members of the public, our staff and volunteers can be treated as quickly as possible in the event of a cardiac arrest. We're pleased to be able to offer this as part of our service to the people of Cornwall, and our ongoing commitment to provide the best possible critical care to patients. We hope our defibrillators will never have to be used, but it is vital that we have them ready and available to help save lives if needed.



Cornwall Air 999 series 2 airs on TV

Series two of our TV documentary, Cornwall Air 999, aired on Quest and discovery+ during the spring. The programme follows the critical care paramedics and pilots in their day-to-day shifts, giving viewers a behind-the-scenes look at the service we provide, on some of our lifesaving missions. The 10-part series, which gave our supporters the rare chance to see the crew in action and responding to real-life emergencies, was again narrated by Cornish resident and actor Dawn French. The second series generated a string of media coverage, strong social media content and engagement, and generated six new patient stories.

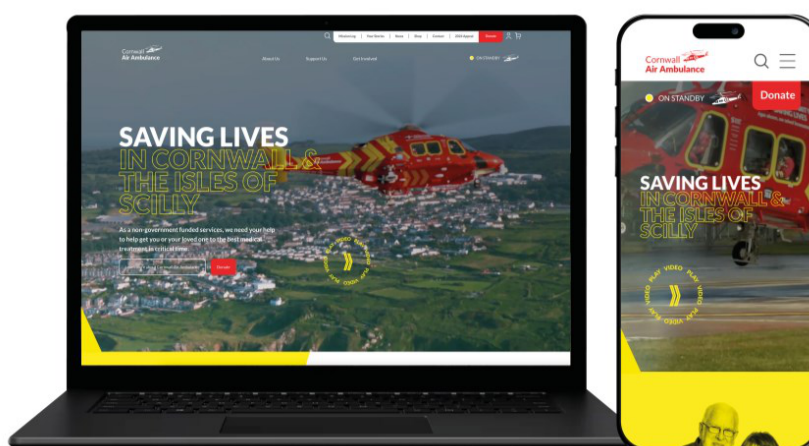


**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

New website launches

As part of ongoing work to refresh the visual design of the charity, we launched a brand-new website at the end of the year. It features new and engaging pages about the charity's history, our lifesaving service, fundraising ideas, a growing library of video content and even includes new features allowing you to see where the helicopter has been over the past month, and when it is currently in flight.

The new website was produced by Newquay-based company Solve and sits on a green hosting platform, making it a better solution for the environment.



A string of award wins

The charity celebrated a double award win at the 2023 Air Ambulance UK Awards of Excellence. We were lucky enough to scoop the trophy for Campaign of the Year for our Christmas animation 'Help Holly', which told the moving story a young girl involved in an RTC, and also for Charity Team of the Year, for the collaborative work between our Finance and Business Intelligence Team alongside other air ambulance charities.

We were also recognised at the 2023 Third Sector Awards, being awarded the 'highly commended' trophy again for the 'Help Holly' animation in the Marketing Campaign of the Year category.



Launch of Heli2 Appeal

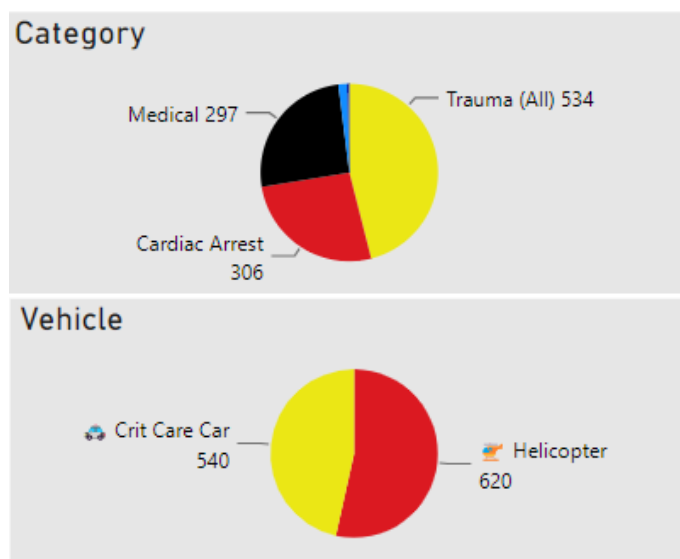
The year ended with the launch of our biggest appeal to date, the Heli2 Appeal, aiming to raise £2.85m to purchase a second lifesaving AW169 helicopter. Due to the extreme demands on the current aircraft, owning a second will significantly boost our resilience, capability, and availability. Currently when the primary aircraft is undergoing annual maintenance, which can last around 12 weeks, we lease a backup AW109 helicopter. However, this aircraft isn't as capable for the service we provide. Having a second AW169 at our disposal will mean we are operating on the best suited aircraft, with a greater ability for conveying patients, higher weight limitations and fuel capacity, and the ability to be flown in darkness for HEMS operations. Ultimately, owning a second AW169 will enable us to attend more missions by air, and it will help us to save even more lives. The appeal launched alongside our Christmas campaign, Jess' Journey, a magical animation that followed the sister of an airlifted child on her mission to thank the crew who saved him. It generated £300,000, the highest amount ever raised from one of our Christmas campaigns, to kick start the appeal year. The mission to bring a second helicopter home to Cornwall and the Isles of Scilly now continues throughout 2024.



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

Operational Performance

2023 has been a busy year with 10% more tasking this year compared to 2022. As the newly recruited pilots completed their training and qualifications, pilot availability rose steadily throughout the year to an overall 97% (Q4 98%). 7% of helicopter unavailability in 2023 was due to technical issues, with parts supply chain issues contributing to a sizable portion of this. The new Rapid Response Vehicles have performed flawlessly throughout the entirety of 2023.



This year also saw the completion and commissioning of the £1.9M new operations building in Q2, and we now have a state-of-the-art facility dramatically improving the efficiency, functionality, and comfort of the crew areas.

Getting ahead of the incoming regulations on aircrew regulations, CAAT was the first UK air ambulance to begin a simulator training program for the paramedics' Technical Crew Member duties (left hand seat aviation duties).

The second television series of "Cornwall Air 999" was broadcast in early 2023, capturing the crew's work delivering critical care to the people of Cornwall and the Isles of Scilly. This was universally very well received.

The Cornwall Air Ambulance future medical model strategy began to be implemented based on the independent review recommendations. Whilst contractual and legal challenges were being worked on, the Doctors day shift coverage increased to 50% by Q4 2023.

2023 has continued to be a year of great change and improvement. The new Operations HQ, the consolidation of the new pilots, the increase in Dr shifts, the TCM sim training program and culminating in Cornwall Air Ambulance's biggest investment in the future to date - the placing of the order for a second AW 169 helicopter due for delivery Q4 2024. This will allow us to offer the capabilities of the AW169 helicopter all year round even during helicopter maintenance periods. Not only does this offer us greater independence, increased availability, and consistency, but enhances safety through the benefits of only operating one type of helicopter.

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

Delivery of our services would not be possible without the contribution of our key partners:

South Western Ambulance Service NHS Foundation Trust

Cornwall Air Ambulance is part of a fully integrated response to emergencies in Cornwall, facilitated through the South Western Ambulance Service NHS Foundation Trust. The ambulance service is contracted through a Service Level Agreement for the provision of a team of paramedics dedicated to air ambulance operations, deployment on emergency missions from their Emergency Clinical Hub in Exeter and the clinical governance and oversight of the paramedics and doctors.

Royal Cornwall Hospitals NHS Trust (RCHT) and University Hospitals Plymouth NHS Trust (Derriford)

The charity works with a small team of doctors to carry out the role of education support physicians for the development of specialist paramedic aircrew and to undertake clinical shifts as part of the crew bringing specialist skills (particularly the provision of Pre-Hospital Emergency Anaesthesia).

Cornwall Blood Bikes

The Blood Transfusion Service at RCHT also support the charity with the supply of blood products for the service, which is delivered daily to the airbase by a team of volunteer riders.

Integrated Care Board

There are well documented pressures on the NHS nationally and locally, therefore closer working relationships have been formed across the healthcare community. This has resulted in greater levels of engagement between the charity and the ICB, supporting healthcare across the region.

Castle Air

Whilst the charity owns the AW169 helicopter G-CRWL, Castle Air holds the operating license for the aircraft and is responsible for the maintenance of the AW169 and back-up AW109 helicopters.

Other key stakeholder partners include:

- Air Ambulances UK
- Bristow (Search and Rescue)
- Cornwall Airport Newquay
- Cornwall Council
- Wider emergency service partners

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

Groundcrew play vital role once again

Cornwall Air Ambulance would not operate without the support of its volunteers, known as the 'Groundcrew.' Our volunteers offer invaluable support to assist the operations of our retail stores, but also support the charity in numerous other ways such as jar collections, representing the charity at events and talks, as well as at our charity headquarters. The charity could not operate without the support of volunteers and the hard work of the teams to ensure volunteers are safe, happy and understand their value to the charity.

As a thank you to all our volunteers the team enjoyed a thank you celebration at charity headquarters. Volunteers had a chance to meet and chat with each other and the team as well as meeting some of the clinical crew. This is especially important to them as it enforces the message of how important their efforts are in providing a life saving service for Cornwall and Isles of Scilly. Many of the volunteers thanked the team for putting on this event and expressed how much they enjoyed spreading the word about the charity when they were in their communities representing Cornwall Air Ambulance. For many, volunteering for Cornwall Air Ambulance gives them a sense of purpose, and for one in particular he feels his life has been saved by the charity.

Headline Groundcrew Stats:

284 volunteers

42,428 hours

£430,500 wages saved



Increasing fundraising opportunities

Cornwall's motto 'Onan hag Oll', which in English means 'One and All', is a sentiment of unity that pervades the Cornish spirit and has defined its character. The charity works hard to raise the vital funds to enable the crew to deliver their lifesaving work, and the goal is to continuously raise awareness, whilst inspiring the public to support Cornwall Air Ambulance. To ensure the charity meets these objectives, a split and mixed portfolio of income generating activities has been created, designed to resonate across supporters and appeal to a full cross section of the public ensuring the charity appeals to a greater geodemographic, embracing the theme of unity and One and All.

This approach is proving successful for Cornwall Air Ambulance and is designed to give the charity greater resilience. The team are developing a portfolio of income aimed at enabling them to grow income streams simultaneously identifying potential new avenues and opportunities for growth. Working closely with colleagues ensures the charity's activities are marketed to the appropriate audience, in a powerfully inspiring manner that reflects and demonstrates the charity's vision; of always being agile to future opportunities, and aspiring to be the best in everything, striving for continuous improvement.

Cornwall Air Ambulance is extremely grateful to each and every one of its supporters; with kind and generous gifts to the charity, as it undertakes the objectives of saving time and saving lives.

Legacies the gift of hope

Income in 2023: £4.7m

In 2023, our total income from gifts in Wills amounted to £4.7m. This income is vital in supporting our mission to provide essential services to those in need. It is worth noting that our operational costs are significant, with each mission costing approximately £5,000 to undertake. Throughout the year, we successfully completed 1,160 missions, therefore 878, or three quarters of our missions, were funded by gifts in Wills, highlighting the scale of our operations and the demand for our services.

Legacy gifts play a critical role in sustaining our operations and ensuring the continuity of our mission. These generous contributions allow us to maintain and expand our services, even in the face of financial challenges. The percentage increase in gifts received in Wills from 2022 to 2023 is approximately 15.55%. By including Cornwall Air Ambulance Trust when planning their estate donors can leave a lasting impact that extends far beyond their lifetime and embodies the pay it forward philosophy.

Legacy gifts provide a stable source of funding that enables us to continue serving our communities effectively, contributing a meaningful difference in the lives of those we assist. We are immensely grateful for the support of our donors who choose to leave a legacy of compassion and generosity.

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

Leave a lasting Legacy with Cornwall Air Ambulance Trust

Every day, Cornwall Air Ambulance Trust is on a mission to save lives and provide critical care to those in need across our beautiful county. Our helicopter soars through the skies, bringing hope, comfort, and rapid medical assistance to the most vulnerable in their darkest hours.

In 2023 alone, your generous support enabled us to raise an incredible £4.7m from gifts in Wills. This remarkable figure represents not just a number, but a testament to the enduring spirit of compassion and community that beats within each one of us.

Consider this: in just one year, your legacy could help fund countless missions, offering lifelines to individuals and families facing life-threatening emergencies. With each pound left behind, you become a guardian angel, ensuring that our helicopter can continue to reach those in distress swiftly and efficiently. The growth we have seen—from £3.6 million in 2022 to £4.7 in 2023—is not just a statistic. It is a beacon of hope, a symbol of the enduring commitment of our supporters to make a real difference in the lives of others.

Trust and Grants

Throughout the year we were delighted to have been supported by a variety of grant giving organisations.

We extend our thanks to the County Councillors and the local Parish and Town councils in the County of Cornwall. This help is vitally important as we support the residents and visitors in these locations. Further afield we have been supported by the incredible generosity of the following organisations who have helped us fund new training rooms, provided the crew with equipment - in some situations match funding the grant of another organisation so we can deliver our services. Some organisations wish their giving to be anonymous, however below are those we can publicly express our gratitude to:

- The Rodway Charitable Trust
- The Quinian Trust
- Bears Down Windfarm
- The Orr Mackintosh Foundations
- McCrone Charitable Trust
- Rosamunde Pilcher Charitable Trust
- Ecclesiastical Insurance Movement
- Boyton Charity
- Gaverigan Manor Farm
- Air Ambulances UK (AAUK) HQ
- The Drapers' Company Charitable Fund
- Sir Richard Sutton Ltd and Sir David & Lady Gay Sutton
- Arthur Ronald Dyer Charitable Trust
- The Excel Fund
- St James's Place Charitable Foundation
- The Calleva Foundation
- The Tanlaw Foundation
- The Grace Trust
- The Elize Heles CT
- Bradbury Foundation
- Bid Camborne
- B-CH 1971 Charitable Trust
- The Steel Charitable Trust

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

Lottery

Income in 2023: £1.4m

At Cornwall Air Ambulance Trust, our commitment to transparency, accountability, and ethical fundraising practices is paramount. That is why we have partnered with Lottery Fundraising Services Ltd (LFS), a trusted and Gambling Commission accredited operator, to manage our lottery operations.

Under the diligent supervision of our team, LFS ensures that our lottery activities adhere to the highest standards of compliance and integrity. We hold quarterly compliance meetings with LFS, conduct regular reviews of canvassing activities, and provide comprehensive inductions to our charity and branded uniforms to our dedicated canvassers.

We are thrilled to announce that following a successful recruitment campaign, we have welcomed new canvassers to our team. These individuals are making a positive impact by engaging with our local communities and spreading awareness about the vital work we do.

We would like to extend our grateful thanks to our loyal lottery players.

One in four missions are made possible thanks to the incredible loyalty of our weekly lottery and super draw players.

We have also recently launched a 'Super Draw' and invited existing loyal canvassers to increase their play from £4.34 per month to £5 per month.

We began the rebranding of our lottery which will continue into 2024.

Lottery fundraising is regulated under both Gambling Commission laws and Fundraising Regulator Codes of Practice. The Gambling Commission approved personal license holders for the charity who are the Head of Strategic Giving, Debbie-Marie Henshaw, and the Chief Executive Officer, Tim Bunting.

The charity holds quarterly compliance meetings with the lottery fundraising operator and undertakes reviews of canvassing activities. The charity team provide an induction to Cornwall Air Ambulance and the branded uniforms whilst LFS provides the training of fundraisers engaged directly in communicating with the public.

Following a lottery canvasser recruitment campaign, the charity is delighted to welcome new canvassers to the team who are having a positive and successful impact engaging people in our local communities.

It's all about the storytelling

The charity is focussed on raising awareness of its brand to both existing and new audiences using digital and offline communication channels with a stronger focus than ever before on sharing patient stories. With the recent investment in a digital post, we have had a stronger focus on the use of video, helping to take our supporters closer to the front line of our operations.

Fundraising Promise

The charity adheres to the very highest standards in donor care and fundraising compliance as set out in the Code of Fundraising Practice. Cornwall Air Ambulance is registered with the Fundraising Regulator and agrees to ensure its fundraising is legal, open, honest, and respectful. The charity's own Fundraising Promise outlines the commitment it makes to donors and the public, and together with the Complaints Policy and the Communications and Privacy Policies, can be found on the Cornwall Air Ambulance website.

360,000 items sold across our retail stores

2023 was an incredibly successful year for the Cornwall Air Ambulance retail team, who brought in over £1.3million to the charity through the sale of donated items. Key aims for retail across the year included the continued excellence in customer service, Gift Aid sign ups and increased charity awareness within all stores. During the year, the charity employed new retail managers and logistics drivers, making sure all seven stores are fully staffed. The success of the charity's retail team would not be possible without the hard work and dedication of the shop volunteers. The strong core of Groundcrew returned to volunteering, kindly dedicating their time to everything from steaming clothes to sorting donations, making sure the shops run smoothly. A new strategy was adopted in 2023, with the goal is to expand retail though opening new stores across Cornwall and refreshing the existing ones. It is hoped that this will generate further income and further increase the charity's presence within local communities.

OUR FUTURE DIRECTION

Future Developments 2024 & beyond

Evolving to patient needs

Following the findings of the review by Professor David Lockey, the charity agreed additional investment to ensure Doctors are part of the crew on every day shift, alongside two Critical Care Paramedics and a Pilot. His recommendations regarding service resilience and flexibility also led to the agreement to purchase a second AW169 aircraft, which, subject to a successful appeal, we expect to be in service in early 2025.

Hospital Helipads

Following an incident in late 2022 at Derriford Hospital involving a Search and Rescue Helicopter, greater focus has been placed on helipads at Hospitals across the country. We are working closely with our local NHS trusts to ensure investment in helipads and rapid transfers to the Emergency Department.

Retail investment

Our Retail stores are our presence on the high street, not just selling high quality pre-loved goods (and improving recycling and sustainability) but also for customers to find out more about their air ambulance. From 2024, we will be undertaking an ambitious programme of expansion and refurbishment of our retail estate, covering all of Cornwall.

Our Thanks To You

The people of Cornwall and beyond have shown their incredible generosity throughout 2023.

They have raised the vital funds needed to keep Cornwall Air Ambulance responding to emergencies 365 days a year.

The charity would like to extend its heartfelt thanks to every individual, business and community group who fundraised, held an event, took on a challenge or popped a penny in the pot for the charity - it all makes an enormous difference. It also extends its grateful thanks to all 287 Groundcrew, without which the charity could not continue to provide a lifesaving service to the people of Cornwall and the Isles of Scilly.

A final thanks to Cornwall Air Ambulance's Royal Patron, HM The Queen, President, Colonel Sir Edward Bolitho OBE, and our Vice President Barbara Sharples and all our dedicated ambassadors.

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

FINANCIAL REVIEW

Income

The result for the calendar year 2023 was a total gross income of £9.7 million with a net increase in funds of £2.8 million, bringing total funds to £26.4 million. 2023 represents the second consecutive year with an income of £9m+ even excluding the one off £2.5m donation made in 2022. This consistent funding reflects the incredible dedication of our supporters and donors, who continue to contribute despite the challenging cost-of-living situation faced by many households. We express immense gratitude for the unwavering support from both the local community and beyond.

The principal sources of income are shown below with further detail in the financial statements under notes 4 and 5.

Income type	2023	2022
Donations	1.6 m	4.1 m
Legacies	4.7 m	3.6 m
Grants	0.3 m	1.0 m
Lottery	1.4 m	1.5 m
Fundraising	1.6 m	1.3 m
TOTAL	9.7 m	11.5 m

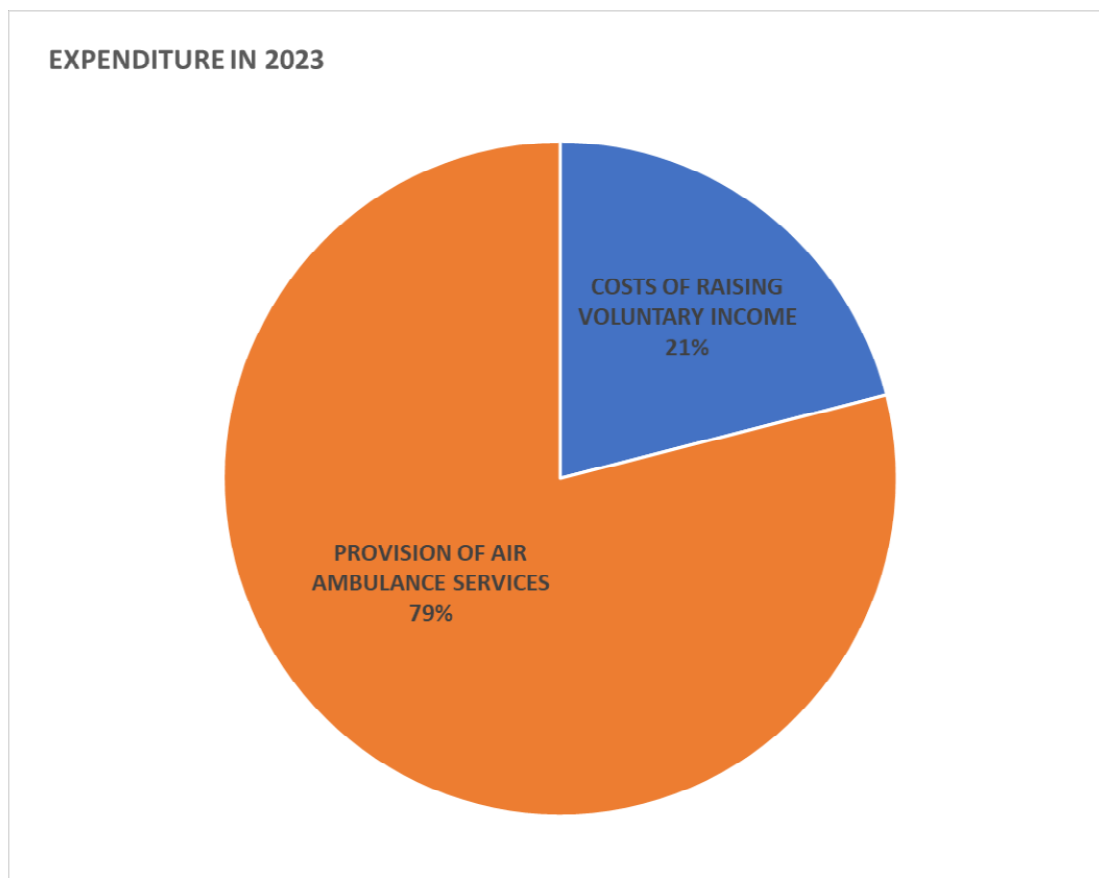
Other income includes bank interest and unrealised gains on investments.

The results are for the Group, which includes the Charity's wholly owned subsidiary CAAT Trading Ltd. The trading subsidiary carries out various sponsorship activities, with profits being Gift Aided to the charity, so that no corporation tax becomes payable.

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

Expenditure

The total expenditure in 2023 was £7.6m compared to £6.8m in 2022. The provision of Air Ambulance Services totalled £6.0m (79% of expenditure) with the remaining £1.6m (21%) invested in generating income.



The figures in the consolidated statement of financial activities for expenditure on "Raising funds" and "Charitable activities" include an allocation of these support costs. The basis of this allocation is shown below with further detail in the financial statements under Note 9 — Support costs

Trading Subsidiary

The charities trading subsidiary "CAAT Trading Limited" continued its activities in 2023 focussed on non-primary purpose activities, primarily commercial sponsorship, and commercial arrangements to raise funds for the parent charity Cornwall Air Ambulance Trust. The trading company delivered an operating profit of £25K in 2023 which was donated to the charity.

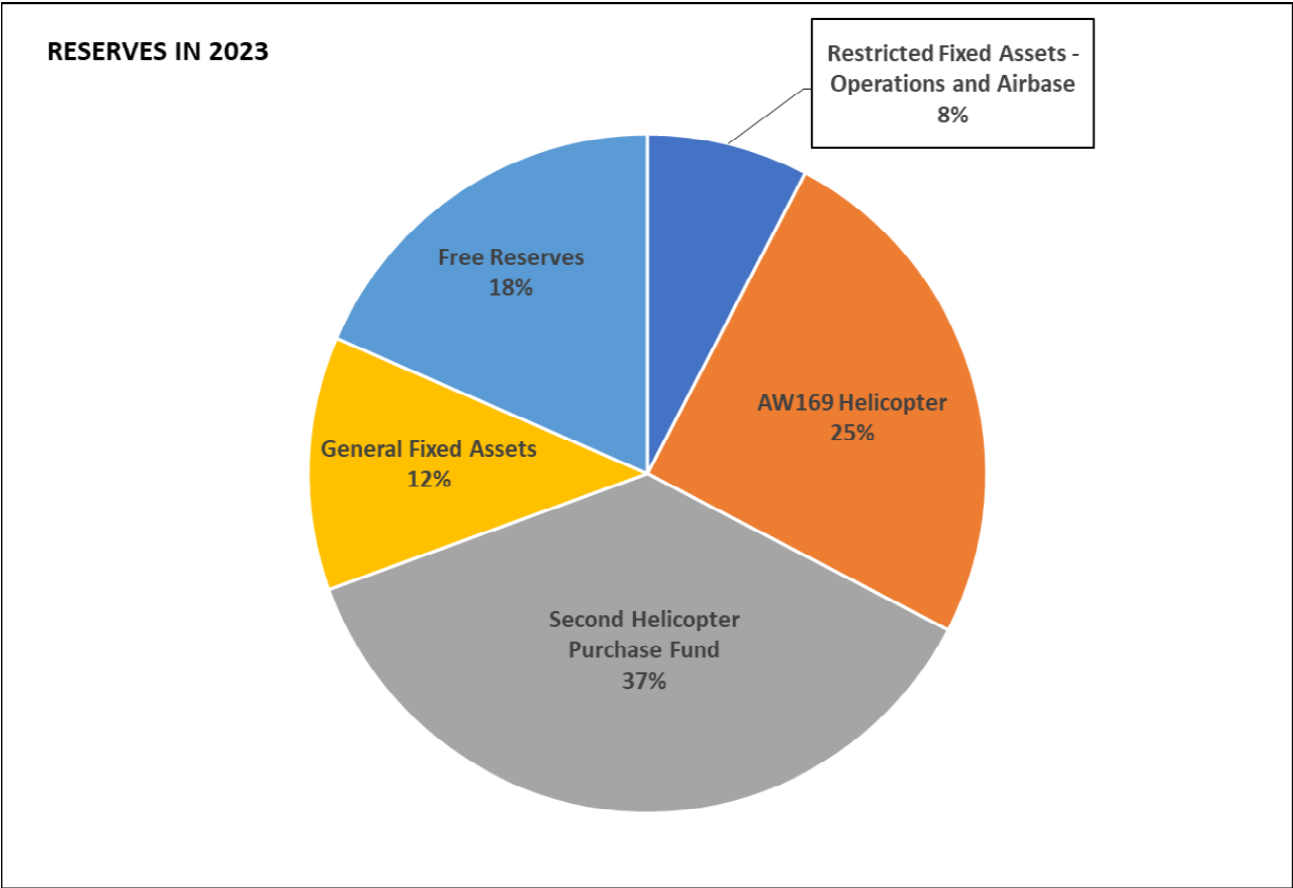
FINANCIAL POLICIES

Reserves Policy

The Trustees have established a Reserves Policy to ensure continuation of the air ambulance service in the event of a shortfall of income over expenditure in any one year or if a major funding stream stops abruptly. The reserve levels have been set to be sufficient to cover day to day activities, cover unplanned emergency repairs and respond to change and opportunity.

The reserves policy is formally reviewed by the Trustees each year in line with the Charity Commission guidance “Charity reserves: building resilience CC19”. At the July 2023 board meeting the reserves policy was reviewed and having taken account of the risk analysis, primarily financial and operational, the probability of loss/reduction of income generation, the extent of the contractual commitments for the outsourced helicopter services and the need to meet the challenges associated with the procurement of the new helicopter, the Trustees concluded that a minimum of £2.65 million free reserves should be maintained. This reserves policy will be subject to further review during 2024 including considering the operation of a second helicopter.

At the end of 2023, the Charity’s total funds were £26.4M (increased from £23.7M in 2022), which were made up as follows:



The resultant free reserves of £4.87M is above the level required in the agreed reserves policy.

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

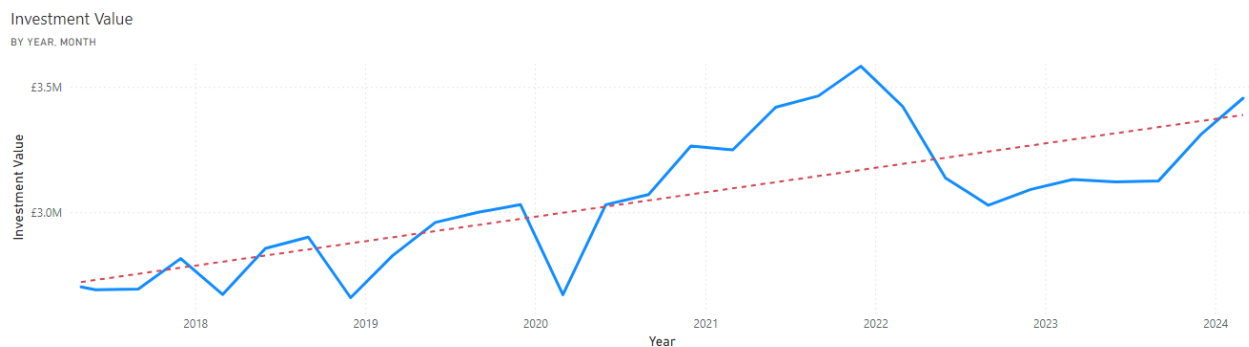
Material Investments Policy

The Charity's investment powers are governed by the Charity's Articles of Association and permit the Charity's funds to be invested in a wide range of assets. The Board of Trustees is responsible for setting the investment policy and has delegated the ongoing monitoring to the Finance subcommittee, while Quilter Cheviot provide discretionary investment and cash management services to the Charity. The Charity's policy remains to instruct their advisers to operate within medium risk parameters to secure reasonable investment income and sustain moderate capital growth.

The Charity held investments on 31 December 2023 with a market value of £3.3M (2022: £3.1M). This reflects a net unrealised gain in the portfolio value of £218K.

The investments are held as part of the Charity's free reserves. Income from the portfolio is paid into the Charity's bank account on a quarterly basis. In 2023 the total income generated increased to £101K from the previous year's income of £99K.

The investment portfolio is held in a Global Income & Growth Fund for Charities, managed by Quilter Cheviot. This funds investment objectives are identical to those of the Charity but with reduced investment management fees. The fund has increased in value in 2023, and overall has demonstrated a moderate capital growth since its initial investment in 2017.



The Charity also holds deposits of £8.45m which are held at UK regulated banks and other cash and investment accounts.

Financial Health/Going Concern

Global economic uncertainty, a cost-of-living crisis and continuing inflationary pressures have eroded real incomes which has inevitably had consequences for the Charity. The Charity has a strong reserves position alongside detailed financial monitoring giving it the ability to adapt to changing conditions. Additionally, the Charity has diverse income streams, continued community support and a strong future income pipeline. The purchase of a second helicopter in 2024 has been fully costed and measured against the Charity's levels of cash, investments, and free reserves, giving the Trustees a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity and the group are registered as a charitable company limited by guarantee and was set up by a Memorandum & Articles of Association on 24 November 2009.

The Charity and the group are constituted under a Memorandum & Articles of Association dated 24 November 2009 and is a registered charity number 1133295.

Board and Committees

The Trustees exercise governance by meeting as a Board quarterly throughout the year to review strategy and performance, oversee risks and ensure that the Charity complies with all legal and regulatory requirements.

The Board is supported by four non-executive led committees.

- Finance and Investment
- Risk and Audit
- Nominations and Remuneration
- Operations

Methods of appointment or election of Trustees

It is the Trustees' aim to ensure that an appropriate mix of skills and experience is maintained on the Board of Trustees. Potential Trustees are invited to apply through open recruitment processes and are interviewed by external non-executive recruitment specialists and a Committee of the Board who assess their suitability. In 2018, the Trustees made changes to their Governing Document relating to the reappointment of Trustees completing their third term of service. This amendment, approved by the Charity Commission, permits a Director (Trustee) who has served 9 years, to be re-elected on an annual basis provided their re-election has the full support of the remainder of the Board. This change to the Governing Document was made to provide full flexibility and reduce the risk of losing a director with key expertise at the wrong moment during evolving strategy.

Policies adopted for the induction and training of Trustees

The Charity provides a full induction programme for new Trustees. This includes providing Trustees with an organisation email address and access to a dedicated SharePoint site with Charity information and financial data. From time to time each Trustee can attend training and trustees networking events, days covering aspects of Governance and trustee responsibilities including training with Civil Society/NCVO in London and locally based experts in the Charity Sector.

Organisational Structure

The Board of Trustees delegate the day to day running of the Charity to the Chief Executive Officer. The organisational management is delegated between seven distinct areas of work, Finance, Operations, Marketing, Fundraising, Strategic Giving, People and Retail. Each department has a manager, who forms part of the Charity management team reporting directly into the Chief Executive. This provides clear lines of communication and resilience within the organisation, allowing for future investment and potential growth, as well as development.

Trading Subsidiary

Cornwall Air Ambulance Trading Limited, is a wholly owned Trading Subsidiary of the main Charity, Company Number 10227352 and the Directors of that company are the Chief Executive Officer, the Head of Finance & Business Intelligence (Company Secretary) and two Trustees including the Chair of the Finance Committee.

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

Trustees have considered the requirement for an independent Director of the Trading Company but while the trading activity remains minimal the Directors will remain as currently appointed. The Directors of the Trading Subsidiary are clear on the requirement to act in the interests of the Company when making decisions.

Scheme of Delegation

A schedule of delegated authority, set by the Board of Trustees, governs the extent to which policy decisions, contracts, purchasing, salaries, payments and other key business decisions can be made by the Senior Leadership Team and Managers, including controls for very high level decisions around cash management and investments where the Board itself has ultimate control. The schedule of delegated authority was updated and approved by the board of trustees in October 2022.

Regulation

The Charity is regulated by the Charity Commission as a registered charity and by the Gambling Commission for its lottery and raffle activities. The Charity has also paid its voluntary levy to the Fundraising Regulator.

The Charity is also registered with the Information Commissioners Office and complies with the Data Protection Act 2018.

Risk Management

The Trustees have assessed the major risks to which the Charity and the group is exposed. Who is related to the operations and finances of the Charity and the group and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Cornwall Air Ambulance Trust operates a Board level Risk and Audit Committee, which meets four times a year and reports to the Board of Trustees. Risk management is a fundamental element of the Charity's business strategy on all levels and encompasses different types of risk. It is therefore an integral part of the business planning and controlling processes.

The Committee has responsibility for ensuring the adequacy of risk management, internal control, and governance arrangements on the implementation of a strategic plan and policies of the Charity. It is also responsible for reviewing the integrity of the annual report and financial statements.

Following the annual review of recent uncertainties, the major risks currently facing the Charity have been identified as:

Nature of Risk	Mitigation
Primary aircraft (G-CRWL) availability.	Continual improvement plan in place with engineering service provider. An order for a second aircraft as a backup to the primary aircraft has been place with Leonardo and will be delivered Q4 2024 (operational Q1 2025).
Helicopter service operator loss of key personnel	Monitor the situation and work with Castle Air to rapidly onboard the replacements to ensure no reduction in service.
Combined Cyber risks the highest being data breach.	Follow prioritised approach to attain and evidence compliance. HQ, Hosted and Web server now passing PCI scans. A full cyber review was completed Q4 2023, and improvements identified from that are being put in place. Multi factor authentication is now in place.
Poorer Patient outcomes due to loss of/ prohibition of use of Treliske front (A&E) helipad	Work with the Treliske Helipad Working Group to finalise options to create a replacement helipad close to A&E and SAR Pad improvements. This may need CAAT/ HELP fund support.
Team Mental Health issues	Employee assistance program support through counselling (among other HR support. For SWAST personnel CAAT have introduced immediate external provider counselling support to improve 6 week waiting times in the SWAST system.

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

All risks identified by the Charity, including the above major risks are continuously monitored and significant management time is invested in mitigating these risks to minimise the probability of occurrence and potential impact on the Charity if they were to occur.

Pay Policy

The success of the Charity is largely dependent on its ability to attract and retain talented staff, with appropriate skills, who share its core values and passion for the cause of saving lives. The Charity is therefore committed to investing in its people, both from a remuneration perspective and in terms of their professional and personal development.

The Charity's remuneration policy aims to ensure that salaries reflect the knowledge, skills, responsibilities, and personal competencies required for the satisfactory performance of each role. Salaries are reviewed annually and benchmarked against the charity sector locally and regionally.

We want to attract and retain the very best talent - creating clear career pathways for our staff teams who are vital to ensuring we can operate to the highest standards.

Recruiting in some areas of the Charity team has proven difficult at times, since Cornwall has traditionally had lower salaries than in other parts of the UK and the demand for some skillsets has been high.

Following on from a pay review in early 2022, the board agreed to adopt the Real Living Wage foundation commitment to paying staff equitably. We have also created one pay scale to encourage development between different areas of the organisation.

Salaries of the Leadership Team, including the Chief Executive Officer are reviewed annually, based on performance, by the Remuneration Committee before being ratified by the Board of Trustees.

Senior Executive Pay Disclosure

The Charity acknowledges the recommendations of the Report of the Inquiry into Charity Senior Executive Pay and Guidance for Trustees on Setting Remuneration by the UK National Council for Voluntary Organisations (NCVO). The inquiry advocates greater transparency, and the Charity recognises and accepts those recommendations. As a result, the Charity provides details of the number of staff whose remuneration is £60,000 or more, in salary bands of £10,000, publishes its Pay Policy and utilises ratios to help determine senior executive pay.

The Charity is committed to openness and transparency on senior pay and will continue to keep this under review.

Funds held as custodian

There are no funds held by the Charity on behalf of another Charity or project.

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

In advance of the 2023 external audit, CAAT evaluated the market and issued an invitation to tender. The outcome of the process was the reappointment of Bishop Fleming LLP.

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report was approved by order of the Board of Trustees, as Company directors, and signed on their behalf by:



Mr B Mark

Interim Chair

Date: *12 September 2024*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNWALL AIR AMBULANCE TRUST

OPINION

We have audited the financial statements of Cornwall Air Ambulance Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity 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 December 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 Auditors' 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.

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNWALL AIR AMBULANCE TRUST
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of 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.

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 AUDITORS' REPORT TO THE MEMBERS OF CORNWALL AIR AMBULANCE TRUST
(CONTINUED)**

AUDITORS' 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 Auditors' 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 have considered the nature of the industry and sector, control environment and business performance;
- We have considered the results of our enquiries of management and the the Board about their own identification and assessment of the risk of irregularities;
- For any matters identified we have obtained and reviewed the parent charitable company's documentation of their policies and procedures relating to;
 - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
 - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team, including internal tax specialists regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to income recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charitable Group and Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities SORP (FRS 102) - Accounting and Reporting by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charitable Group and Company's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, aviation law, lottery regulations, fundraising laws and employment legislation.

As a result of performing the above procedures, we have completeness and cut-off of revenue recognition as a key audit matter related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- Documenting and validating the control environment for income and debtors and carrying out walkthrough testing;
- Undertaking substantive sample-based testing or proof in total calculations on all material revenue streams to ensure revenue has been recognised appropriately and accurately;
- Considering manual income journals as part of our work on fraud risks documented above;
- Reviewing the financial statement disclosures and testing to supporting documentation;

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CORNWALL AIR AMBULANCE TRUST
(CONTINUED)**

- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement;
- Reading minutes of meetings of those charged with governance; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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.



Alison Oliver FCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: *17 September 2024*

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	8,023,142	150,734	8,173,876	10,171,495
Other trading activities	5	1,551,151	-	1,551,151	1,285,574
Investments	6	367,467	-	367,467	163,104
Total income		9,941,760	150,734	10,092,494	11,620,173
Expenditure on:					
Raising funds	7	1,585,458	-	1,585,458	1,473,658
Charitable activities	8	5,924,134	121,875	6,046,009	5,311,900
Total expenditure		7,509,592	121,875	7,631,467	6,785,558
Net income before net gains/(losses) on investments		2,432,168	28,859	2,461,027	4,834,615
Unrealised net (losses)/gains on investments		218,401	-	218,401	(486,914)
Net movement in funds		2,650,569	28,859	2,679,428	4,347,701
Reconciliation of funds:					
Total funds brought forward		20,404,193	3,310,394	23,714,587	19,366,886
Net movement in funds		2,650,569	28,859	2,679,428	4,347,701
Total funds carried forward		23,054,762	3,339,253	26,394,015	23,714,587

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

The notes on pages 36 to 60 form part of these financial statements.

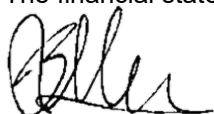
CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07085879

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	11,761,105	11,323,961
Investments	14	3,309,380	3,090,980
		<u>15,070,485</u>	<u>14,414,941</u>
Current assets			
Stocks	16	13,265	14,133
Debtors	17	5,555,211	811,478
Cash at bank and in hand	26	8,452,103	9,873,550
		<u>14,020,579</u>	<u>10,699,161</u>
Creditors: amounts falling due within one year	18	(2,597,049)	(1,399,515)
Net current assets		<u>11,423,530</u>	<u>9,299,646</u>
Provisions for liabilities	19	(100,000)	-
Net assets excluding pension asset		<u>26,394,015</u>	<u>23,714,587</u>
Total net assets		<u><u>26,394,015</u></u>	<u><u>23,714,587</u></u>
Charity funds			
Restricted funds:			
Restricted funds	20	44,306	6,067
Restricted capital funds	20	3,294,947	3,304,327
		<u>3,339,253</u>	<u>3,310,394</u>
Total restricted funds	20	3,339,253	3,310,394
Unrestricted funds	20	23,054,762	20,404,193
Total funds		<u><u>26,394,015</u></u>	<u><u>23,714,587</u></u>

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 and signed on their behalf by:



Mr B S Mark
Chairman

Date: 12 September 2024

The notes on pages 36 to 60 form part of these financial statements.

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07085879

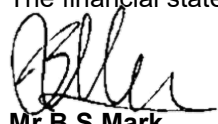
CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	11,761,105	11,323,962
Investments	14	3,309,381	3,090,980
		15,070,486	14,414,942
Current assets			
Stocks	16	13,265	14,133
Debtors	17	5,675,381	847,967
Cash at bank and in hand		8,308,858	9,819,592
		13,997,504	10,681,692
Creditors: amounts falling due within one year	18	(2,573,975)	(1,382,047)
Net current assets		11,423,529	9,299,645
Provisions for liabilities		(100,000)	-
Net assets excluding pension asset		26,394,015	23,714,587
Total net assets		26,394,015	23,714,587
Charity funds			
Restricted funds:			
Restricted funds	20	44,306	6,067
Restricted capital funds	20	3,294,947	3,304,327
Total restricted funds	20	3,339,253	3,310,394
Unrestricted funds	20	23,054,762	20,404,193
Total funds		26,394,015	23,714,587

The Charity's net movement in funds for the year was £2,679,428 (2022 - £4,347,701).

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 and signed on their behalf by:



Mr B S Mark
Chairman

Date: *12 September 2024*

The notes on pages 36 to 60 form part of these financial statements.

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash from operating activities	25	(767,729)	4,958,320
Cash flows from investing activities			
Dividends and interest from investments		367,467	98,617
Proceeds from the sale of tangible fixed assets		34,750	(10,681)
Purchase of tangible fixed assets		(1,055,935)	(1,622,647)
Net cash used in investing activities		(653,718)	(1,534,711)
Change in cash and cash equivalents in the year		(1,421,447)	3,423,609
Cash and cash equivalents at the beginning of the year		9,873,550	6,449,941
Cash and cash equivalents at the end of the year	26	8,452,103	9,873,550

The notes on pages 36 to 60 form part of these financial statements

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. GENERAL INFORMATION

The Charity is incorporated as a Company limited by guarantee and does not have share capital. In the event of the Company being wound up each member is liable to contribute a sum not exceeding £10 towards the debts and liabilities of the company and the costs, charges and expenses of winding up. The company is incorporated in England and Wales. The registered number and office is as stated on page 1.

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.

Cornwall 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 Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity 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.

2.2 GOING CONCERN

The Trustees have assessed the charities financial position and its ability to operate as a going concern for the foreseeable future. They have reviewed the current financial position alongside the budget, as well as the cash position, reserves and investments. Trustees have also considered the financial projections until December 2026 and are satisfied that the charity has sufficient resources to continue its activities for at least 12 months from the date of approval and signing of these financial statements. Based on this assessment, the Trustees consider it to be appropriate to prepare these financial statements under the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated Statement of Financial Activities on an entitlement basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 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.

Depreciation is provided on the following bases:

Freehold land	- not depreciated
Operations facility	- 50 years
Short leasehold improvements	- 10 years
Motor vehicles	- 25% reducing balance
Shop fixtures and fittings	- 3 years
Equipment (including Aircraft specialist equipment)	- 3 to 5 years
Helicopter	- over 20 years to 30% of residual value
Assets under construction	- not depreciated until asset is in use

2.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

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

2.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 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.

2.10 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. ACCOUNTING POLICIES (continued)

2.11 LIABILITIES

Liabilities and provisions 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 Charity 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. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.12 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 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.

2.14 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.

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Legacy income may require management judgement in respect of associated timing of revenue recognition and estimation of the income. Legacy income is considered on a case by case basis.

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Capital restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	1,646,102	-	-	1,646,102	4,074,031
Legacies	4,747,911	-	-	4,747,911	3,562,595
Grants	183,189	50,584	100,150	333,923	1,023,991
Lottery	1,445,940	-	-	1,445,940	1,510,878
	<u>8,023,142</u>	<u>50,584</u>	<u>100,150</u>	<u>8,173,876</u>	<u>10,171,495</u>
TOTAL 2022	<u>9,256,283</u>	<u>17,512</u>	<u>897,700</u>	<u>10,171,495</u>	

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Charity shop sales & other income	1,517,484	1,517,484	1,273,784
Income generated by subsidiary	33,667	33,667	11,790
TOTAL 2023	<u>1,551,151</u>	<u>1,551,151</u>	<u>1,285,574</u>
TOTAL 2022	<u>1,285,574</u>	<u>1,285,574</u>	

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	100,977	100,977	98,617
Investment income - bank interest	266,490	266,490	64,487
	<u>367,467</u>	<u>367,467</u>	<u>163,104</u>
TOTAL 2022	<u>163,104</u>	<u>163,104</u>	

7. EXPENDITURE ON RAISING FUNDS

COSTS OF RAISING VOLUNTARY INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations, fundraising & events	342,428	342,428	412,686
Legacies	51,633	51,633	49,603
Lottery management & development costs	341,462	341,462	280,649
Retail expenses & purchases for resale	839,999	839,999	726,004
Investment management costs	1,727	1,727	-
Expenditure incurred by subsidiary	8,209	8,209	4,716
	<u>1,585,458</u>	<u>1,585,458</u>	<u>1,473,658</u>
TOTAL 2022	<u>1,473,658</u>	<u>1,473,658</u>	

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

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Provision of air ambulance service	5,924,134	121,875	6,046,009	5,311,900
TOTAL 2022	5,194,473	117,427	5,311,900	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Provision of air ambulance service	4,048,343	1,997,666	6,046,009	5,311,900
TOTAL 2022	3,731,404	1,580,496	5,311,900	

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

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Provision of air ambulance 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	513,338	513,338	453,322
Marketing	235,842	235,842	201,769
Insurance	315,005	315,005	134,099
Property costs	131,600	131,600	104,213
Repairs & maintenance	97,929	97,929	59,298
Other staff costs	143,738	143,738	98,721
Staff training and development	220,824	220,824	264,990
Office expenses	53,060	53,060	52,643
Bank fees	66,250	66,250	74,841
Legal & professional	173,687	173,687	101,716
Loss on disposal of assets	21,743	21,743	12,074
Governance costs	24,650	24,650	22,810
TOTAL 2023	<u>1,997,666</u>	<u>1,997,666</u>	<u>1,580,496</u>
TOTAL 2022	<u>1,580,496</u>	<u>1,580,496</u>	

10. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	23,750	22,560
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	900	850
All non-audit services not included above	<u>-</u>	<u>250</u>

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

11. STAFF COSTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	1,862,282	1,469,246	1,862,282	1,469,246
Social security costs	175,820	147,410	175,820	147,410
Other pension costs	102,243	80,655	102,243	80,655
	2,140,345	1,697,311	2,140,345	1,697,311

Staff costs include £100,000 relating to a staff settlement.

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

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Average headcount number of staff employed	53	46	51	46

The average headcount expressed as full time equivalent was:

	Group 2023	Group 2022	Charity 2023	Charity 2022
Administration	8	6	8	6
Charity shops	21	17	21	17
Fundraising	9	8	9	8
Marketing	3	4	3	4
Senior leadership team	3	3	3	3
Volunteer department	1	1	1	1
Operations (Pilots and Patient Liaison)	6	4	6	4
	51	43	51	43

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

11. STAFF COSTS (CONTINUED)

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

	Group 2023	Group 2022
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	4	4
In the band £80,001 - £90,000	2	1

The bandings above relate to directly employed pilots plus one charity senior executive. The numbers are annualised and therefore include starters and leavers in the year.

The Charity considered it's key management personnel in the year to comprise the Trustees and the senior leadership team as disclosed on page 1.

The total employment benefits including employer pension contributions of the key management personnel were £212,976 (2022: £199,495), paid to 3 employees (2022: 3).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses of £50 were reimbursed or paid directly to 1 Trustees (2022: £76 to 1 Trustee).

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

13. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Freehold property £	Short-term leasehold property £	Air Ambulance helicopter £	Motor vehicles £	Fixtures and fittings £	Equipment £	Assets under construc- tion £	Total £
COST OR VALUATION								
At 1 January 2023	3,376,656	57,934	7,574,267	322,548	35,001	760,051	1,191,146	13,317,603
Additions	-	-	-	78,575	-	168,649	808,681	1,055,905
Disposals	-	-	-	(80,655)	-	-	-	(80,655)
Transfers between classes	1,999,827	-	-	-	-	-	(1,999,827)	-
At 31 December 2023	5,376,483	57,934	7,574,267	320,468	35,001	928,700	-	14,292,853
DEPRECIATION								
At 1 January 2023	722,108	43,317	729,023	127,824	25,921	345,449	-	1,993,642
Charge for the year	83,073	7,908	265,099	58,944	5,894	153,871	-	574,789
On disposals	-	-	-	(36,683)	-	-	-	(36,683)
At 31 December 2023	805,181	51,225	994,122	150,085	31,815	499,320	-	2,531,748

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. TANGIBLE FIXED ASSETS (CONTINUED)

GROUP AND CHARITY (CONTINUED)

	Freehold property £	Short-term leasehold property £	Air Ambulance helicopter £	Motor vehicles £	Fixtures and fittings £	Equipment £	Assets under construc- tion £	Total £
NET BOOK VALUE								
At 31 December 2023	<u>4,571,302</u>	<u>6,709</u>	<u>6,580,145</u>	<u>170,383</u>	<u>3,186</u>	<u>429,380</u>	<u>-</u>	<u>11,761,105</u>
At 31 December 2022	<u>2,654,548</u>	<u>14,617</u>	<u>6,845,244</u>	<u>194,724</u>	<u>9,080</u>	<u>414,602</u>	<u>1,191,146</u>	<u>11,323,961</u>

Included in land and buildings is freehold land at cost of £268,540 (2022: £268,540) which is not depreciated.

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. FIXED ASSET INVESTMENTS

	Listed investments £
GROUP AND CHARITY	
COST OR VALUATION	
At 1 January 2023	3,090,979
Revaluations	218,401
AT 31 DECEMBER 2023	<u>3,309,380</u>
NET BOOK VALUE	
AT 31 DECEMBER 2023	<u>3,309,380</u>
AT 31 DECEMBER 2022	<u>3,090,979</u>

**CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the Charity:

Names	Company number	Charity registration number	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
CAAT Trading Limited	10227352		Cornwall Air Ambulance Trust, Trevithick Downs, Newquay, Cornwall, TR8 4DY	Ordinary	100%	Yes
First Air Ambulance Services Trust		299000	Cornwall Air Ambulance Trust, Trevithick Downs, Newquay, Cornwall, TR8 4DY	Common Control	-%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit for the year before gift aid to parent £
CAAT Trading Limited	33,667	(8,209)	25,458
First Air Ambulance Services Trust	99,854	(3,068)	96,786

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

16. STOCKS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Finished goods and goods for resale	13,265	14,133	13,265	14,133

17. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
DUE WITHIN ONE YEAR				
Trade debtors	5,272	31,024	5,272	31,024
Amounts owed by group undertakings	-	-	120,170	53,489
Other debtors	12,159	182,186	12,159	165,186
Prepayments and accrued income	5,537,780	598,268	5,537,780	598,268
	5,555,211	811,478	5,675,381	847,967

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Payments received on account	233,047	146,826	233,047	146,826
Trade creditors	535,449	569,405	535,418	568,307
Other taxation and social security	58,158	49,237	58,158	49,237
Other creditors	14,398	12,141	14,398	12,141
Accruals and deferred income	1,755,997	621,906	1,732,954	605,536
	2,597,049	1,399,515	2,573,975	1,382,047

19. PROVISIONS

GROUP AND CHARITY

	£
Additions - staff payment settled in 2024	100,000

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Helicopter replacement	729,024	-	-	(729,024)	-	-
NBV of unrestricted funded assets	2,530,016	-	(296,631)	961,631	-	3,195,016
NBV of Air Ambulance (unrestricted element)	5,489,618	-	(212,600)	-	-	5,277,018
Future Development & Investments	2,700,000	-	-	(2,700,000)	-	-
Second helicopter purchase	-	-	-	9,711,520	-	9,711,520
	<u>11,448,658</u>	<u>-</u>	<u>(509,231)</u>	<u>7,244,127</u>	<u>-</u>	<u>18,183,554</u>
GENERAL FUNDS						
General funds	8,955,535	9,941,760	(7,000,361)	(7,244,127)	218,401	4,871,208
TOTAL UNRESTRICTED FUNDS	<u>20,404,193</u>	<u>9,941,760</u>	<u>(7,509,592)</u>	<u>-</u>	<u>218,401</u>	<u>23,054,762</u>

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
RESTRICTED FUNDS						
Other restricted funds	6,067	50,584	(12,345)	-	-	44,306
RESTRICTED CAPITAL FUNDS						
Helicopter AW169 - DCMS (LIBOR)	938,750	-	(17,500)	-	-	921,250
Helicopter AW169 - (DHSC)	416,875	-	(35,000)	-	-	381,875
Airbase construction (SWRDA)	782,478	-	(18,963)	-	-	763,515
Annex (LIBOR)	204,726	-	(5,406)	-	-	199,320
Welfare & Pastoral Facilities - (DCMS)	28,072	-	(3,968)	-	-	24,104
Other restricted funds	6,494	-	(4,840)	-	-	1,654
Rapid Response Cars	29,232	-	(14,397)	-	-	14,835
Operations Extension - (DCMS)	897,700	100,150	(9,456)	-	-	988,394
	3,304,327	100,150	(109,530)	-	-	3,294,947
TOTAL RESTRICTED FUNDS	3,310,394	150,734	(121,875)	-	-	3,339,253
TOTAL OF FUNDS	23,714,587	10,092,494	(7,631,467)	-	218,401	26,394,015

CORNWALL AIR AMBULANCE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

20. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Helicopter replacement	463,924	-	-	265,100	-	729,024
Helicopter purchase retention	340,280	-	(340,280)	-	-	-
NBV of unrestricted funded assets	1,725,607	-	(183,401)	987,810	-	2,530,016
NBV of Air Ambulance (unrestricted element)	5,702,218	-	(212,600)	-	-	5,489,618
Future Development & Investments	2,700,000	-	-	-	-	2,700,000
	<u>10,932,029</u>	<u>-</u>	<u>(736,281)</u>	<u>1,252,910</u>	<u>-</u>	<u>11,448,658</u>
GENERAL FUNDS						
General funds	<u>5,922,248</u>	<u>10,704,961</u>	<u>(5,931,850)</u>	<u>(1,252,910)</u>	<u>(486,914)</u>	<u>8,955,535</u>
TOTAL UNRESTRICTED FUNDS	<u>16,854,277</u>	<u>10,704,961</u>	<u>(6,668,131)</u>	<u>-</u>	<u>(486,914)</u>	<u>20,404,193</u>

CORNWALL AIR AMBULANCE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
RESTRICTED FUNDS						
Other restricted funds	1,737	17,512	(13,182)	-	-	6,067
RESTRICTED CAPITAL FUNDS						
Helicopter AW169 - DCMS (LIBOR)	956,250	-	(17,500)	-	-	938,750
Helicopter AW169 - (DHSC)	451,875	-	(35,000)	-	-	416,875
Airbase construction (SWRDA)	801,441	-	(18,963)	-	-	782,478
Annex (LIBOR)	210,132	-	(5,406)	-	-	204,726
Welfare & Pastoral Facilities - (DCMS)	32,040	-	(3,968)	-	-	28,072
Other restricted funds	15,505	-	(9,011)	-	-	6,494
Rapid Response Cars	43,629	-	(14,397)	-	-	29,232
Operations Extension - (DCMS)	-	897,700	-	-	-	897,700
	2,510,872	897,700	(104,245)	-	-	3,304,327
TOTAL RESTRICTED FUNDS	2,512,609	915,212	(117,427)	-	-	3,310,394
TOTAL OF FUNDS	19,366,886	11,620,173	(6,785,558)	-	(486,914)	23,714,587

21. TRANSFERS BETWEEN FUNDS

The transfers between funds during the year relate to the designation of funds in accordance with the Charity's reserves policy. A transfer has also been made from general funds to designated fixed assets to recognise additions made in year and funded through general funds.

22. DESIGNATED FUNDS

Helicopter Replacement Fund

This fund was established to hold funds for the replacement of the air ambulance helicopter. The Trustees agreed to transfer the depreciation of the helicopter into this fund annually. Noting that the new helicopter is expected to be in operation for the next 19 years.

Net Book Value of Air Ambulance (Unrestricted Element)

This fund was established to recognise the net book value of the unrestricted element of the new AW169 helicopter as a fixed asset held by the charity funded by unrestricted funds and from fund whose restriction ended upon the acquisition of the asset.

Net Book Value of Unrestricted Funded Assets

This fund recognises the net book value of fixed assets held by the charity (excluding the AW169 helicopter) funded by unrestricted funds or from funds whose restriction end upon the acquisition of the asset, and that consequently cannot be easily converted into cash.

Second Helicopter Purchase Fund

This fund was established to hold funds for the purchase of a second AW169 air ambulance helicopter.

23. RESTRICTED CAPITAL FUNDS

Helicopter AW169 – DCMS (LIBOR)

This Helicopter fund of £1M made up of £162,500 of funding received during 2018 and a further £837,500 received in 2019 from the Department for Culture, Media & Sport, towards the cost of the new helicopter purchase, a proportion of depreciation on the helicopter is allocated to this fund.

Helicopter AW169 - DHSC

This fund reflects the £500,000 received in 2019 from the Department of Health and Care towards the new helicopter purchase, a proportion of depreciation on the helicopter is allocated to this fund.

Airbase Construction (SWRDA)

This fund represents the grant awarded by South West Regional Development Agency towards the cost of construction of the air ambulance operations facility and head office, depreciation is allocated to this fund.

Annexe (LIBOR)

The annexe fund represents monies received from HM Treasury from LIBOR bank fines. The money was given to build an annexe to develop the airbase facilities, depreciation is allocated to this fund.

Welfare & Pastoral Facilities (DCMS)

The fund represents the grant funding used to develop facilities to support the welfare of the air ambulance crews, depreciation is allocated to this fund.

Rapid Response Cars

The fund represents the proportion of restricted grant funding towards the purchase of two rapid response cars for the Trust's use. The Trust purchased two Volvo V90 cars in 2021, depreciation is allocated to this fund.

Operations Extension (DCMS)

The fund reflects the proportion of restricted grant funding towards the construction of the operational extension on site, depreciation is allocated to this fund.

Other restricted funds

Other restricted funds represent grants and restricted donations predominantly for the purchase of medical and operational equipment, depreciation is allocated to this fund.

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

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted capital funds 2023 £	Total funds 2023 £
Tangible fixed assets	8,466,158	-	3,294,947	11,761,105
Fixed asset investments	3,309,380	-	-	3,309,380
Current assets	13,976,273	44,306	-	14,020,579
Creditors due within one year	(2,597,049)	-	-	(2,597,049)
Provisions for liabilities and charges	(100,000)	-	-	(100,000)
TOTAL	23,054,762	44,306	3,294,947	26,394,015

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted capital funds 2022 £	Total funds 2022 £
Tangible fixed assets	8,019,634	-	3,304,327	11,323,961
Fixed asset investments	3,090,980	-	-	3,090,980
Current assets	10,693,094	6,067	-	10,699,161
Creditors due within one year	(1,399,515)	-	-	(1,399,515)
TOTAL	20,404,193	6,067	3,304,327	23,714,587

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

25. 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)	2,679,428	4,347,701
ADJUSTMENTS FOR:		
Depreciation charges	574,789	500,244
(Gains)/losses on revaluation of investments	(218,400)	491,401
Loss on the sale of fixed assets	9,222	11,623
(Increase)/decrease in stocks	(869)	9,248
(Increase) in debtors	(4,743,733)	(416,034)
Increase in creditors	1,199,301	112,754
Increase in provisions	100,000	-
Dividends and interest from investments	(367,467)	(98,617)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(767,729)	4,958,320

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	8,452,103	9,873,550

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	9,873,550	(1,421,447)	8,452,103
	9,873,550	(1,421,447)	8,452,103

CORNWALL AIR AMBULANCE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

28. CAPITAL COMMITMENTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of tangible fixed assets	7,907,952	713,333	7,907,952	713,333

29. PENSION COMMITMENTS

The Charity operates a defined contribution 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 £102,243 (2022: £80,655). £14,276 (2022: £12,019) was payable to the fund at the balance sheet date.

30. OPERATING LEASE COMMITMENTS

At 31 December 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	79,245	129,995	79,245	129,995
Later than 1 year and not later than 5 years	55,120	133,870	55,120	133,870
	134,365	263,865	134,365	263,865

31. OTHER FINANCIAL COMMITMENTS

During the prior year the Charity entered into a financial commitment under a contract for the provision of helicopter services from Castle Air Limited which commenced in June 2021 for a term of 10 years. The minimum amount payable in during the next 12 months under the contract terms is £1,168,516 (2022: £1,186,043).

32. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

33. RELATED PARTY TRANSACTIONS

The charity has taken advantage of the exemption in FRS102 Section 33.1A in not disclosing intra group transactions with 100% owned subsidiaries.