



London's
Air Ambulance
Charity

London's Air Ambulance Limited

Company Limited By Guarantee

Consolidated Financial Statements

31 March 2021

CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

CONTENTS	PAGES
Members of the Board and professional advisers	3
Glossary of terms	4
Chair's statement	6
Chief Executive Officer's statement	8
Trustees' annual report	10
Independent auditors' report	33
Consolidated statement of financial activities	38
Consolidated and Charity balance sheets	39
Consolidated statement of cashflows	40
Notes to the financial statements	41

**MEMBERS OF THE BOARD, SENIOR EXECUTIVES AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2021**

The Board of Trustees

Mark Vickers LLB Hons (Chairman)
Samantha Walker (Deputy Chairman)
Robert Forsyth (Treasurer)
Margot Gosney
Tim Hodgetts
Edmund Owen
Gemma Sherrington
James Thomas
William Walden
Adrian Walker

Chief Executive Officer (CEO)

Jonathan Jenkins

Chief Operating Officer/Deputy CEO

Charles Newitt

Director of Fundraising & Marketing

Louise Robertshaw

**Director of The Institute of
Pre-Hospital Care**

Dr Gareth Grier

Medical Director

Dr Tom Hurst

Registered and principle office

5th Floor
77 Mansell Street
London
E1 8AN

Independent auditors

Saffery Champness LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Bankers

Santander UK plc
Santander Corporate Banking
2 Triton Square
Regent's Place
London
NW1 3AN

GLOSSARY OF TERMS

YEAR ENDED 31 MARCH 2021

AAA – Association of Air Ambulances (Note; in 2020 changed to AAUK – Air Ambulances UK)

Barts Health – Barts Health NHS Trust

CAA – Civil Aviation Authority

CCG – Clinical Commissioning Group

CGD – Clinical Governance Day

CRM – Customer Relationship Management

CQC – Care Quality Commission

DHSC – Department of Health and Social Care

ECLS – Extra corporeal life support

ECMO – Extra corporeal membrane oxygenation (technique to bypass the heart and lungs in patients experiencing cardiac arrest)

ED – Emergency Department

EOC – Emergency Operations Center (LAS Waterloo)

EPR – Emergency preservation and resuscitation

GDPR – General Data Protection Regulation

HEMS – Helicopter Emergency Medical Services

IoPHC – Institute of Pre-Hospital Care

LAS – London Ambulance Service

MI – Major Incident

PCP – Pre-hospital Care Programme

PEELS – Pre-hospital Extracorporeal Life Support

PEER – Prehospital and Emergency department Endovascular Resuscitation

PHCC – Pre-Hospital Care Course

PHOTON – Pre-Hospital Trainee Operated Research Network

PLN – Patient Liaison Nurse

PRU – Physician Response Unit

GLOSSARY OF TERMS

YEAR ENDED 31 MARCH 2021

PUNCC - Pre-hospital Underground and Novel Concepts Course

RC&Plasma – Red cell and plasma (blood product administered to patients suffering catastrophic bleeding).

REBOA – Resuscitative endovascular balloon occlusion of the aorta (technique to stem internal bleeding in patients at risk of bleeding to death by placing a balloon in the aorta).

SMS – Safety management system

CHAIR AND CHIEF EXECUTIVE OFFICER'S STATEMENTS

YEAR ENDED 31 MARCH 2021

A look back with Mark Vickers - Chair, London's Air Ambulance Charity

There can be no doubt that the past year has been profoundly different to any other year in our 32 year history. One that has been hard for us all, and none more so than for our NHS partners. Whilst at times it may have felt that there has not been much to celebrate, I can see, through it all, so much to be proud of. The service has responded to the challenges it has faced with outstanding agility and professionalism, both clinically and from the Charity perspective.

In the first weeks of the pandemic, the team had to review how the service should respond. With a strict lockdown, there were questions over whether a rapid response trauma team was a medical priority. It was a non-negotiable imperative for the crew that, whatever the circumstances, they would remain available for anyone who required the service. We unswervingly committed to maintain London's trauma pathway in spite of the pandemic and the demands being placed on other parts of the health system. We offered up help to the COVID-19 response where we could, putting our assets on the national register should they be needed and many of our staff were either seconded to the response or volunteered to help.

Our service remained operational 24/7, but the pandemic still had a noticeable impact. Patient numbers dropped during the first weeks of lockdown as people heeded the call to stay at home and thereby save lives. Sadly, though, patient numbers soon started to rise and the teams were once again operating at pre-pandemic levels. However, with more people at home, the types of missions changed, with more domestic incidents and, tragically, more suicide attempts. Day to day things changed too. The teams were in full PPE throughout their 12 hour shifts, performing their complex roadside operations in their energy-draining protective equipment. Divider screens were put into the aircraft to keep the cockpit and cabin separate. At the helipad, masks were mandatory and only duty crew were allowed to be there. It was a different (and difficult) way of working but our crews adapted and the extraordinary care given to our patients never diminished.

Nowhere was this shown more acutely than in the response from the Physician Response Unit, led by Dr Tony Joy. Whilst trauma care continued, the service also pivoted to become a vital part of the COVID-19 response in East London communities. From April, the PRU operated with two cars and its operational hours were extended to run from 8.30am to 11pm, seven days a week. Not only were the teams saving vulnerable patients a trip to hospital by visiting and treating them in their homes, they created a consultant rota so that ward teams could discharge patients that would normally be waiting to leave hospital. Our medics helped to free up space in hospitals for COVID-19 patients and to reduce pressure on a stretched London Ambulance Service. Alongside this they started to support palliative care services to help patients avoid hospital, and stood ready to provide transfers for COVID-19 patients when this was necessary.

Throughout this time, the clinical teams were led by Medical Director, Dr Tom Hurst, and Lead Clinician, Dr Anna Dobbie. Both had only been appointed to their roles in January 2020, but they could not have led the teams more effectively through the novel, complex and fast moving situations of COVID-19. We are profoundly indebted to them for keeping the service functioning at its optimum during this challenging period.

The Institute of Pre-Hospital Care, under Dr Gareth Grier, adjusted to meet the new challenges so that it was able to deliver successfully its range of short and long courses - inspiring and educating both current and future pre-hospital care clinicians.

CHAIR AND CHIEF EXECUTIVE OFFICER'S STATEMENTS

YEAR ENDED 31 MARCH 2021

There were also some new faces behind the scenes at the Charity. In April, we were delighted to welcome four new trustees to the Board. Gemma Sherrington, Major-General Tim Hodgetts, Dr Margot Gosney, and James Thomas have brought a wealth of experience across the charity, medico-military, technology and medical research sectors.

In mid-year the Charity undertook a culture, diversity & inclusion review encompassing all of the personnel involved in the service. The aim was to assess the culture of the organisation, and enhance further the positive relationships between all parts of the wider organisation, including the operational, Charity, Board and executive teams. It has been immensely rewarding to see the initial results of this. Whilst there is much to be done to achieve the ambitious challenges we have set ourselves, we look forward to advancing our culture, diversity and inclusion even further, underpinned by our collective compassion, pioneering spirit and courage.

The biggest impact of the pandemic on the Charity's operations has undoubtedly been felt by our fundraising teams. The lockdown meant a pause on almost all of our regular activity. Events were cancelled, community fundraising had to stop and the face to face recruitment of new donors had to cease. However, despite the limitations on what we could do, the Charity team rose to the challenge magnificently. We continue to receive the benefit of HRH The Duke of Cambridge's patronage with the Duke joining two events with our operational crew. Some events moved online and innovative ways of fundraising were trialled. Most gratifyingly though our regular donors stayed with us, a testament to their loyalty and compassion and their appreciation of how vital our service is. I am incredibly proud that the Charity did everything it had to do to ensure that the operational crew were there, every second of every day, for every Londoner who needed them.

None of this would have been possible without our partners, Barts Health NHS Trust and London Ambulance Service. We thank them hugely for their continuing support. Massive thanks too to all our staff who have been outstanding in the most challenging of times. To all our supporters and volunteers – a heartfelt and very special thank you. With everyone pulling together as you did, we can reflect with pride on surviving this the most difficult of years and that throughout we remained alongside the people of London whenever a life was on the line.

Mark Vickers, Chair of the Board of Trustees

CHAIR AND CHIEF EXECUTIVE OFFICER'S STATEMENTS

YEAR ENDED 31 MARCH 2021

A look forward with Jonathan Jenkins, CEO of London's Air Ambulance Charity

Last year I said that we wouldn't know what the following year would bring and 12 months on we are still in uncharted territory as we look forwards. I am however extremely confident that our resilience and passion for the cause will continue to guide us through these difficult times.

The impact on our finances has been significant, especially as it is coinciding with a period of huge ambition for the Charity and service. In 2019 we set out two strategic goals for the service; to save time and deliver outstanding care. To achieve this we committed to the goals of doubling our income, connecting with the people of London and investing in our people and culture. With a forecast £6million gap in our income over the next five years, we have had to look carefully at our plans.

Our strong financial performance over the last few years has allowed us to maintain investment in our operations and fundraising though. Continuing this investment will result in a projected one-off deficit in 2021/22 but we forecast a return to surplus in 2022/23.

Thanks to the service living our values - compassionate, courageous and pioneering - our plans can continue apace. Thanks too to the belief our partners and supporters show in our mission to save more lives in London through rapid response and cutting-edge care.

The last year has seen the Charity move forward with plans for the biggest fundraising appeal in our history. By 2025 we will need to replace our helicopter fleet at an estimated cost of £15million. The aviation team have been carefully considering the aircraft that we will select, taking into account the need for room for the life-saving equipment we carry, the number of clinicians on board to deliver the rapid-response care, and also the space an aircraft will need to land – a major consideration in the built up, urban environment of London. Meanwhile the fundraising team are planning for the launch of the appeal to raise this extraordinary amount – all the while knowing that we still need to raise the £10million it costs to deliver the service and fundraise every year.

As part of our goal to save time we are also progressing with another vital aspect of making our response quicker. Soon we will be "breaking ground" – albeit 300ft up - on the redevelopment of our helipad space. This will see the duty crew room moved closer to the helideck to save crucial seconds, and provide more space for training, alongside space to rest and decompress after difficult and complex missions.

We also recognise the need to improve our data and digital records, so will be continuing to invest in these areas. The CRM project will support our ability to connect to our donors and the people of London. At the helipad the clinical digital transformation project also continues. The more insights we have on our patients, the more we can help our future cohort of patients.

The clinical teams will continue to focus on what more can be done to end preventable deaths, with Zone 1 REBOA introduced to the pre-hospital procedures we can perform, and the ECMO trial ongoing. Operationally we will look at how we can save time by introducing an extra team in the winter months when the aircraft can't operate as many hours, and exploring whether night flying will be possible.

CHAIR AND CHIEF EXECUTIVE OFFICER'S STATEMENTS
YEAR ENDED 31 MARCH 2021

As you can see, despite the distraction and complications of COVID-19, our ambitions have not been tempered. For the last 32 years London's Air Ambulance has been there every day, and we owe it to the people we serve, to make sure we continue that service. Thanks to our supporters, our volunteers, our colleagues, our partners Barts Health NHS Trust and London Ambulance Service, and the people of London, we will be able to continue saving lives when London calls.

Jonathan Jenkins, Chief Executive Officer, London's Air Ambulance Charity

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 MARCH 2021

The Trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the consolidated financial statements of London's Air Ambulance Limited ("the charity" or "the company") for the year ended 31 March 2021.

ACHIEVEMENTS AND PERFORMANCE

1. HEMS Trauma Service

Our primary purpose is to provide critically injured patients with the world's most innovative and effective pre-hospital care delivered by our advanced trauma team using a helicopter from 08:00 to sunset and rapid response cars by night and in adverse weather conditions.

The service treated 1,536 patients suffering from critical injury (trauma), and other medical emergencies in the financial year ended 31 March 2021 (1,667 in 2020). In addition, 2,713 (1,736 in 2020) patients were treated by our Physician Response Unit (PRU).

Figure 1 displays the number and location of missions carried out in the calendar year January to December 2020.

Figure 2 displays the headline numbers of patients treated by the service in the financial year 2020/21. By the very nature of our work, every one of our missions has the potential to have an enormous impact on the future of the patient, their family, and the wider community as well as having positive economic consequences.

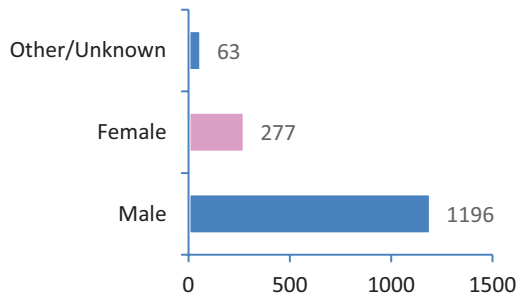
Figure 1: 2020 calendar year - Mission Map (1494 patients)



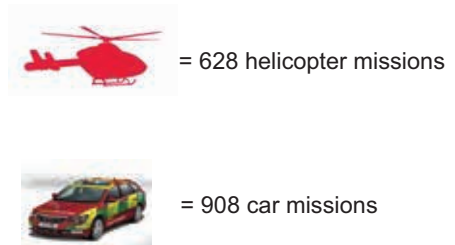
TRUSTEES' ANNUAL REPORT YEAR ENDED 31 MARCH 2021

Figure 2: Financial Year 2020/21 missions summary (1536 patient missions)

Patients treated by gender

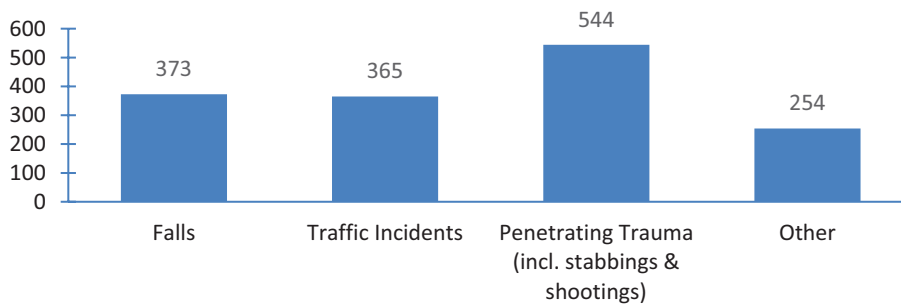


Patient Mission Breakdown



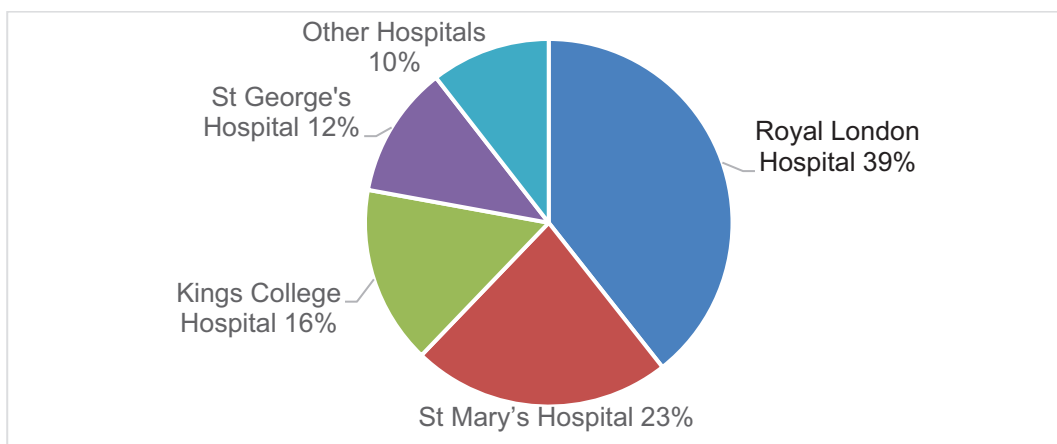
Patients treated by mechanism of injury

Data taken from 1 April 2020 to 31 March 2021, with 1,536 patients (excluding PRU) treated in total.



Patient Destinations – London Major Trauma Centres and other Hospitals

Data from 1 April 2020 to 31 March 2021, with 1,351 patients (excluding PRU).



TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Strict data and patient confidentiality restrictions means that it is difficult to quantify the exact impact and contribution we make to the outcome of our patients. The pre-hospital care of trauma patients has been recognised as a vital component of the trauma patient pathway from incident to rehabilitation. Outstanding pre-hospital care is recognised as an important contributor to the documented significant improvements in trauma mortality in the UK. The process for mapping out and measuring patient outcomes is inherently complex. Often, following our handover to the receiving hospital, our patients undergo complex treatment and rehabilitation via a number of care providers before discharge to their homes due to the severity of their injuries.

The critical support provided by the Major Trauma Centres and the hospitals of London who receive our patients, and the Metropolitan police support that we often receive in getting to and on scene, are key to us continuing to provide rapid response and outstanding care.

Our Patient Liaison Nurse (PLN) provides the critical interface between our service and our patients during their long and often difficult recoveries. Through this interface we receive anecdotal evidence of the impact our Charity has on patients as well as their families, friends, colleagues, employers and wider communities. Helping a patient is an extraordinary combined effort of many including the patient's family, the public, Metropolitan Police, London Fire Brigade and NHS staff.

There's never a 'good' time to be injured but the last 18 months have been particularly difficult for our patients and their families. COVID-19 has necessitated strict visiting restrictions in hospitals which in turn has made it extremely challenging for patients and families at a time when that support network is most important. Equally and in response to these restrictions, the Patient Liaison Nurse (PLN) has had to adopt to providing additional support to patients and their families virtually. Although this was initially daunting, it has evolved into a very effective, convenient, and far wider reaching mode of support which will now almost certainly continue post pandemic for bedside support, peer to peer support and even bereavement consultations.

2. Physician Response Unit

Operating separately to the Advanced Trauma Team, the Charity's Physician Response Unit (PRU) treated 2,715 patients in the community during the financial year 2020/2021 (2,362 in 2020), of which 1,994, 74% (69% in previous year) were managed in the community rather than being conveyed by ambulance to an Emergency Department (ED). The PRU launched the 12 hours a day (08:00-20:00), seven days a week service in 2017. From April 2020 a second car was launched after funding was secured from CCGs to cover the LAS and Barts NHS clinical costs. This is now delivering an extended service running from 0800-2300 seven days a week. The PRU covers the North East London with two teams that provide an overlap period for four hours each day during the busiest period of the afternoon. In December 2020, the PRU was asked to extend its geographical footprint to cover additional boroughs in Northeast London, so now covers parts of the large CCG footprint of Barking, Havering and Redbridge.

During the COVID-19 pandemic, the PRU made a number of developments to strengthen the support that it offers the wider emergency care system. It has incorporated specific new clinical pathways taking referrals not only from London Ambulance Service but also palliative care teams and inpatient teams. Of note, an innovative pathway providing emergency support for patients with acute oncological emergencies was launched in July 2020, covering the large Barts Cancer Network. These pathways not only relieve pressures across the EDs and acute

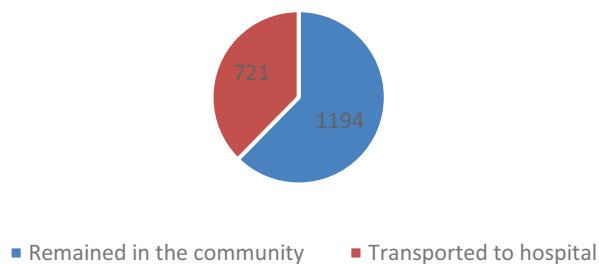
TRUSTEES' ANNUAL REPORT YEAR ENDED 31 MARCH 2021

admissions wards of local hospitals but also protect particularly vulnerable groups of patients from risk of coronavirus infection.

PRU patients are treated for a range of emergencies thanks to the specialist drugs and equipment carried. Delivering such services in the community helps alleviate some of the pressure on NHS Emergency Departments by reducing ambulance call-outs and the number of admissions to the Emergency Department. The service is run in collaboration with Barts Health, LAS and local CCGs, and has pioneered the development of 'Community Emergency Medicine' attracting national interest and support. The PRU has published several journal papers and presentations in 2020 relating to the response to the COVID-19 pandemic. It is also attracting increasing numbers of applicants to its fellowship programme, now the largest Emergency Medicine fellowship in the country.

Patients treated by Physician Response Unit Outcomes

PRU Missions 2020/21



3. The Institute of Pre-Hospital Care

The Institute of Pre-Hospital Care is the educational arm of London's Air Ambulance and delivers education not only to the clinical teams of the HEMS service and PRU teams but also to many other clinicians outside of London's Air Ambulance. The objective last year for the Institute was to 'Consolidate. Refine' and although faced with many challenges from the pandemic we used the time to review our courses and ensure that we delivered on this objective.

There were considerable challenges to running our degree programmes however we continued to run our BSc in Prehospital Medicine throughout adapting the programme to enable us to deliver much of the degree online. Although this is certainly not the preferred delivery method as so much is learnt during the face-to-face teaching and clinical placements the faculty went over and above to make the learning experience excellent. We managed to conduct some face-to-face teaching for the cohort where required and in line with government guidelines. Our BSc students have been extremely motivated and have excelled in their exams and course work. We recommenced the MSc in Prehospital Medicine programme in January 2021 after a temporary suspension of the first cohort last year in March 2020 due to restrictions on education and the redeployment of both the faculty and students to their respective in-hospital roles in the response to COVID-19.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Our portfolio of short courses was continually delivered throughout the year with adaptations to reflect the guidance at the time meaning some courses which would ordinarily have external candidates on were more limited to our own team and other courses were adapted to be delivered online so as not to miss out on the expertise of our international faculty. We also delivered a series of online evening lectures to the team to continue the education of our own team and share learnings from projects that the Institute is a part of such as an evening with our Head Injury Fellow, a lecture on the Medical Response to Terrorist Incidents and the opening of some lectures linked to the MSc programme. In addition to the short courses continuing we were proud to continue to deliver the CPC (clinicopathological correlation) meetings allowing our current clinical teams to continue their learning in relation to the patients they are seeing, this also allows us to continue to push our understanding and develop interventions with a desire to create the survivors of the future.

In addition to the educational delivery we have worked to secure funding for some of these areas namely a scholarship from The Company of Nurses for a nurse enrolled on the MSc in Prehospital Medicine, a bursary for 50% tuition fees for a student enrolling on the MSc in September 2021 along with further support from Zoll for the Resuscitation Science symposium over the next three years.

Looking forward we will be transitioning from 'Consolidate. Refine' to exploring how we can improve the impact of our Institute work both within London and more widely.

4. Continuing pre-hospital care research

Within London's Air Ambulance we are continually working to build and advance a culture of inquiry across all aspects of the organisation. Members of our team from multiple disciplines participate in research and quality improvement projects, in an effort to improve the care we provide to patients, innovate new therapies and advance pre-hospital care in support of our overall mission to save more lives in London through rapid response and cutting-edge care. In line with our value of 'pioneering', the reporting year saw our team share our experience of emergency surgical airways, publishing a paper documenting the largest cohort of pre-hospital emergency surgical airway cases to date.

Given the impact of COVID-19 over the past year many of our research efforts were required to be paused. However, all except for our ECMO study (Sub-30) are currently recruiting again and we hope to see Sub-30 restarting again in the near future. This year also marked a first for our service as we were awarded our first National Institute of Health Research grant to support a study seeking to determine ways to improve care of patients injured in terrorist attacks.

We are working in collaboration on projects with colleagues at the local level such as the Centre for Trauma Sciences at Queen Mary, University of London and LAS. In addition, we are building new partnerships with colleagues from air ambulance services across the UK through our participation in the National HEMS Research and Audit Forum. We recognise that the best science is delivered through strong partnerships and collaborations.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

CHARITY OBJECTIVES AND ORGANISATIONAL PURPOSE

Our Charity purpose is to provide critically injured patients with the world's most innovative and effective pre-hospital care delivered by our advanced trauma team to the 10 million people who live work and travel in London. The charitable company's objectives are:

“(1) The relief of sickness or physical injury by the provision of emergency medical services and equipment and in particular by the provision of a helicopter ambulance service or other emergency transportation; and

(2) The provision of training, research and education in the field of pre-hospital medicine for the treatment and/or prevention of sickness and physical injury.”

Based at The Royal London Hospital and founded in 1989, we operate 24/7, using the helicopter from 08:00 to sunset and rapid response cars at night and in adverse weather conditions. We have treated over 43,000 critically injured patients since our inception.

We work in partnership with Barts Health and LAS. Barts Health employ and remunerate the service's doctors who are seconded for six-month placements, and the consultants who are permanently associated with the service. They also provide the helipad space on top of The Royal London Hospital, as well as the medical supplies and some equipment. London Ambulance Service employ and remunerate our paramedics who are seconded for 12-month placements; they also provide the infrastructure for dispatching our teams. Patients are treated under the governance of the NHS. The regulatory requirements of the Care Quality Commission are covered by Barts Health and London Ambulance Service for all clinicians attached to the service.

London's Air Ambulance has been involved in the emergency medical response to the majority of Major Incidents in London over the past 32 years. These incidents over the years include: the Fishmongers Hall, Westminster and London Bridge attacks; the Grenfell Tower fire; the Paddington, Cannon Street and Southall train crashes; the Bishopsgate and Aldwych terrorist attacks; the Soho nail bombings; and the 7th July terrorist attacks in 2005, when we dispatched 18 medical teams and flew medical supplies to the bomb sites across London, helping to triage and treat over 700 patients. Through our partners, we are closely engaged in the reviews and inquiries of MIs.

The Board is clear that the Charity's aims are being delivered effectively and with long term sustainability through a clear strategy and investment. Trustees reviewed the vision and values and updated the current strategy of the Charity in line with the Charity's objectives. They have ensured that there is appropriate governance in place, supported by an Audit and Risk Committee, reviewing financial and operational performance and risk. Operational matters are delegated to the Chief Executive Officer, Jonathan Jenkins.

The Medical Director, Dr Tom Hurst, is jointly appointed by the Board and Barts Health NHS Trust and leads on clinical strategy for London's Air Ambulance. He is supported by a Lead Clinician who leads the 16 other consultants (15 NHS and one MoD military secondment) and a Lead Paramedic (provided by London Ambulance Service NHS Trust). The PRU is now led by a Clinical Lead consultant as this service expands.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Aviation matters are overseen by the Charity's Chief Pilot, Captain Neil Jeffers, and the AOC¹ Accountable Manager, Charles Newitt.

The Trustees have given due regard to the Charity Commission's guidance on public benefit when reviewing the aims and objectives and in planning the future activities of the Charity.

STRATEGY AND PLANS FOR FUTURE PERIODS

The Charity developed its mission statement and strategic objectives in 2018 and undertook a strategy review in 2020. Our mission remains the same:

'To save more lives in London through rapid response and cutting-edge care'

There are five strategic goals to achieve this. Our plans for future years are set out against these five goals. Trustee strategy sessions were held in the summer of 2020 to review progress:

Save time – treat everyone who needs us, when and where they need us.

- In partnership with Barts Health and LAS, continue the provision of a 24 hours a day, seven days a week service using our helicopters and fleet of rapid response cars. This vital service continued throughout the COVID-19 pandemic.
- Working with LAS, the provision of the GoodSam App video link to the scene of an accident via the public's mobile phones to give advice before we arrive has been successful and its use within LAS is being expanded
- We continue to examine how we can better the equity of service, both in terms of getting to patients we miss because we are already tasked and getting to patients quickly enough to make a difference, throughout London at every time of the day. This coming year we are starting a one-year pilot to run a second team from 2pm-midnight each day and looking at how we can enhance the use of the helicopter during winter months.
- We have recently launched Project 2025 to replace our helicopters in 2025.
- The Charity has organised and raised the funds for a multi-million pound helipad development project this year to improve the facilities for our operational teams and has designed it so that it reduces the time it takes to get the helicopter airborne.

Outstanding care – to improve patient care and to end preventable deaths.

- Continue to evolve the delivery of the new clinical model with a consultant led and delivered service, alongside Barts Health. The service is continually innovating ways to prevent unnecessary deaths from trauma and the procedures carried out before patients reach hospital are becoming more complex and challenging
- Invest in and develop our paramedic clinicians, with a new program of structured development and progression. Formalise the roles of more senior paramedics within the department and appoint an outstanding paramedic clinical leader to a more senior Lead Paramedic role.

¹ AOC = Air Operator Certificate, issued by the Civil Aviation Authority

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

- We have extended clinical care in the community by expanding the PRU service to two shifts to cover an 18-hour day, seven days a week. The area of coverage has been extended to include additional London Boroughs.
- Continue to provide the best support we can to patients and their families on their road to recovery through our Patient Liaison Nurse, with the aim to expand to London's three other major trauma centres (King's NHS Trust's is being recruited in autumn 2021).
- Further develop our education capability via The Institute of Pre-Hospital Care to help prepare doctors and paramedics to deliver the highest possible standards of clinical care through its courses and symposiums.
- Pilot and develop the use of ECMO - a way to bypass the heart and lungs to keep a patient alive while they are transported to hospital - in the pre-hospital setting
- Developing the procedures towards the use of emergency preservation and resuscitation (EPR) – a technique to cool people at the roadside to provide a better chance for resuscitative surgery in hospital.
- Through continued investment in our digital transformation project, ensure that we are collecting and recording data to drive our research, innovations and improvements and drive efficiencies for our teams.
- Continue our work with the emergency services in London to develop the lessons from Major Incidents and plan for future events.

Connecting with the people of London – increase the number of charity givers in London who support our service and understand we are a Charity.

- Continue to develop our schools' programme to engage children and young people in our work
- Increase the number of volunteers by expanding our speaker programme to ensure our story is being told to interested groups and organisations across the capital
- Better understand our supporters and those who might support us, using analysis and insight, to develop supporter personas
- Continue to develop relationships with key influencers such as politicians, the media and social media.

Our culture – we continue to develop a supportive and enabling environment that gets the best out of our people from both the Charity side and the integrated operations with our partners, also ensuring that our Trustees are engaged and involved in this work.

- Support all our people to be leaders through learning and opportunity, including understanding and investing in the individual development of our talented team
- We have introduced regular wellbeing checks of the organisation, particularly during the COVID-19 pandemic period, to ensure that our teams are supported fully

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

- We are reviewing our ways of working post COVID-19 to ensure that the learnings and adjustments as to how we work are taken forward and included within our culture and our peoples' wellbeing.

Double income – to ensure our financial security and sustainability over the next five years and fund our organisational objectives, secure long-term diverse sustainable income streams.

- Launch a transformational capital appeal, to raise the funds needed to deliver our future clinical and operational ambitions to save more lives
- Develop our legacy programme, encouraging supporters to leave a gift to us in their will
- Continue to grow donations from individuals, through our lottery, raffle and regular giving products
- Test fundraising across different channels, including digital and direct response television (DRTV)
- Continue to build on our invaluable support from corporate partners, trusts and foundations

Progress against strategic objectives

In respect of the key strategic objectives for the financial year 2020/21, the Board of Trustees is able to report on the progress and outcomes as follows:

1. In partnership with Barts Health NHS Trust ("Barts Health") and London Ambulance Service NHS Trust ("LAS"), to continue the provision of a 24 hours per day, seven days per week service using our helicopters and fleet of rapid response cars

Having a second helicopter available during operational hours continues to provide operational availability of 98.5%, thus allowing us to reach more patients more quickly. In financial year

2020/21 we reached 41% of our patients by helicopter (42% in 2019/20). Our cars remain a critical part of our service when we cannot fly, and 59% of our overall mission responses in London were reached by car (58% in 2019/20). We continue to fly extended hours in the summer until sunset during which the helicopter was launched on 111 occasions in 2020 (98 in 2019/20). In total in financial year 2020/21 we treated 1,536 patients, excluding PRU patients.

We have continued to train for and develop our major incident (MI) responses in conjunction with Barts Health and LAS, taking part in joint exercises as well as running our own. With our partners we have continued to be closely involved with the inquiry and outcomes of the Fishmongers' Hall MI that took place in 2019. From July 2021 Bart's Health consultants attached to London's Air Ambulance will be undertaking the role of on-scene Medical Advisor at any MI declared in the capital. This role supports the LAS in ensuring the best possible care for patients at these complex incidents.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

2. Working closely with Barts Health and LAS to deliver improved pre-hospital care procedures and pathways

New clinical model and staff

The continuous support from the medical staff attached to us from Barts Health and LAS has been fundamental to the Charity over the years, not only through our service's operations but also in supporting the Charity's fundraising activity. The consultant-led model with a three-person medical team, usually consisting of a consultant, a doctor and a paramedic, is now embedded and operates from 07:00–01:00 each day, reducing to a doctor and a paramedic from 01:00–07:00. We will be funding an expansion of our patient liaison nurse (PLN) service, with a second PLN to be based at King's College Hospital.

Clinical governance and inset days

Our service's Clinical Governance Days (CGDs) centre on an ethos of delivering care of the highest possible standard for all our patients, at all times. This both enables and demands a high level of reflection, self-critique, learning from others, and collective memory. As a result of a relentless focus on excellence, we continue to drive knowledge-sharing via this platform. Due to the requirements of COVID-19 these days have been delivered using videoconferencing.

Red cell and plasma trial

The transfusion team at The Royal London Hospital has completed a feasibility study into delivering a combined red cell and plasma (RC&Plasma) component in the pre-hospital setting to patients at risk of bleeding to death in London. Currently we are carrying both red cells and plasma to provide hospital standard transfusion support to bleeding patients.

ECMO and sub 30 trial

The Charity has been supporting Barts Health in an ECMO and sub 30 trial. This trial will assess the feasibility of developing pre-hospital ECMO within 30 minutes of a call to the emergency services for selected patients suffering out-of-hospital cardiac arrest in London. The trial started in 2019 but was paused due to the COVID-19 pandemic.

3. Investment to help drive fundraising income

The Charity has continued to invest in its fundraising activity throughout the COVID-19 pandemic, to ensure it is in the best position possible to raise the income it needs in future years. This has meant the Charity saw a year-on-year income growth of 3% despite the challenges. The restrictions on fundraising face-to-face throughout the pandemic has had a significant impact on the speed of growth for the Charity. For large parts of the year, we were unable to acquire new supporters to our regular giving and lottery products; we were not able to undertake community fundraising and engagement activities; fundraising events were cancelled; we were unable to meet with major donors and corporate partners. This meant our expenditure on fundraising activities was also reduced (£4.5 million compared to £5.6 million in 2019/20). The Charity took the opportunity during the pandemic to plan a large-scale capital appeal to raise an additional £15 million to fund its new helicopter fleet; making up the shortfall in our income growth forecast to 2025. We are hugely grateful to all our supporters who stayed with us and continued to donate or volunteer throughout the pandemic.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Individual Supporters

The Charity is reliant on regular giving and lottery players for almost 70% of its income. Income from individual donations increased by 18% over the period, primarily down to previous year's investment in regular giving and investment in new appeals. At the end of March 2021, the volume of active regular donors had marginally declined year on year with 29,000 donors (2020: 31,000). This reduction was due to our inability to acquire new donors via face to face fundraising for much of the year. Despite not being able to fundraise via face-to-face activity, we continued to invest in Direct Response Television and digital channels to recruit new regular donors.

Lottery

At the end of March 2021, the number of chances in our lottery had reduced year on year to approximately 102,000 (down from 113,000 in March 2020). Income from the programme reduced by 2% in the period because of the impact of not being out face-to-face canvassing.

Legacies

Income from legacies grew by 60% year on year. This was primarily due to a number of unexpected large legacies being received during the period. We sent our first legacy marketing campaign to 25,000 supporters in September 2020 and this resulted in a potential legacy income pipeline of £10.5 million from our existing supporters (based on industry standard conversion rates).

Philanthropy and Partnerships

We have continued to build our philanthropy programme, with a focus on planning for the *Up Against Time* capital appeal to be launched in June 2021. The Innovation Circle – a giving club securing annual donations of £5000+ - closed the financial year with four active members.

We have continued to develop relationships with potential major donors who came to the Charity via the 2019 Gala, engaging them with our operational work and inspiring multiple five-figure gifts, to fund projects such as staff wellbeing and new flight helmets for our medics as well as to support our core life-saving service. Corporate partnerships were stalled by the pandemic during 2020. However, opportunities came in the form of a renewed partnership approach to Skoda and a new partnership with Bolt for the forthcoming financial year. Whilst the Phoenix corporate partnership came to an end, we are delighted that they have committed to sponsoring our Schools Programme moving forward. We are also grateful to Wells Fargo, Tokio Marine Kiln and CMC Markets for their provision of additional funding through this challenging period. Partner Winckworth Sherwood exceeded their fundraising target by £13,000.

Trusts, foundations and the City Livery Companies

Our trust, foundation and Livery Company supporters provided vital donations to keep our core services going and to fund protective gear for our crew. During the year, we received two large unsolicited grants from new supporters, recognising the essential support we were providing to the NHS and London's communities during an unprecedented time. The support of trusts and foundations has driven forward strategic Charity projects, including significant grants towards our Digital Transformation Project, our Emergency Preservation and Resuscitation [EPR] Innovation project and our Helipad Expansion project. We have also established a

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

partnership with The Company of Nurses to deliver a scholarship for a nurse studying on our MSc in Pre-Hospital Medicine this year.

Community Engagement

The impact of the pandemic and subsequent lockdowns has been felt strongly in our Community Engagement work with much of our community fundraising, volunteering, learning and outreach and retail activity pausing in March 2020. Although business as usual activities had to change, we took the opportunity to rethink and develop many areas of our work. We have been able to take engagement work online by hosting virtual talks to community groups and schools and have continued to keep engaged with our volunteers through online social events.

Annual Supporter Survey

We sent our annual supporter satisfaction survey in March 2021: 95% of our supporters stated that they were either proud or very proud to support us; 94% were happy with the level of communication they received from us. We are delighted that our supporters continue to feel very engaged with the Charity, despite the difficult external environment.

Protecting vulnerable people

The Charity takes its responsibility to protect vulnerable people seriously and abides by its Safeguarding Policy to ensure robust procedures are in place. These policies are regularly reviewed and updated.

Fundraising Regulation and Compliance

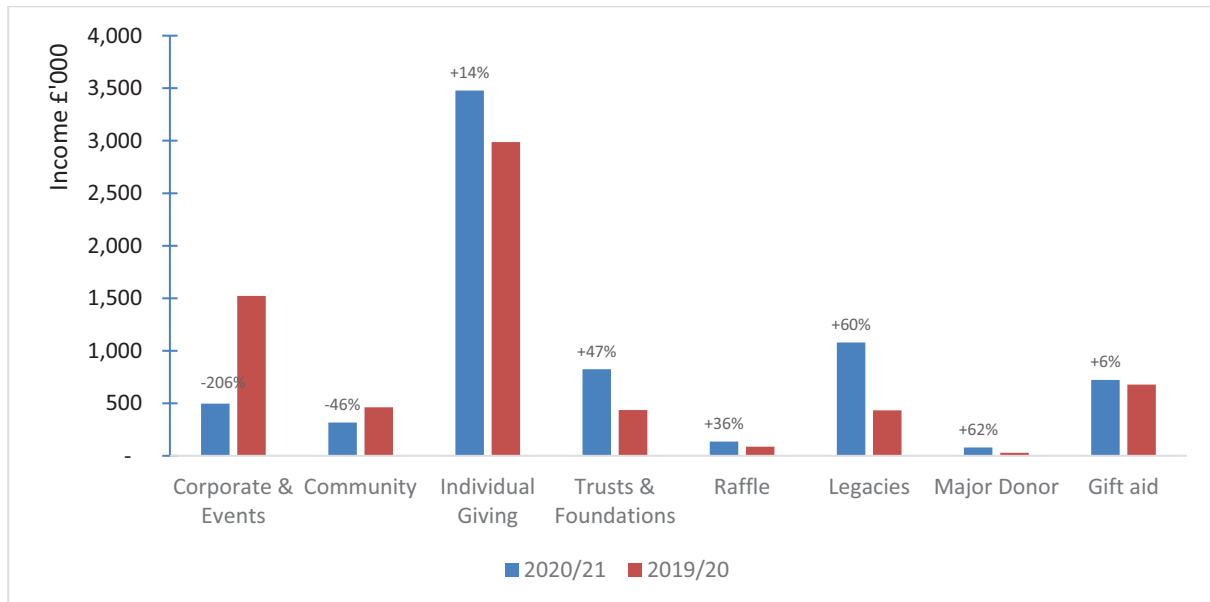
The Charity is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. The Charity is also licensed by the Gambling Commission to run its lottery and raffle. We continue to review and refresh our fundraising policies and procedures to ensure best practice – our aim is to exceed these standards by applying our own additional fundraising standards to ensure that we are open, honest and respectful in all cases.

Complaints

We record and report on complaints and feedback we receive from supporters and the public. We will respond on a one-to-one basis and complaints are acknowledged no later than **two working days** after they are received. We aim to provide a full resolution to complaints within this timeframe; however, if this is not possible, we will aim to respond fully within **ten working days**. We complete the annual complaints return to the Fundraising Regulator. The Charity received and responded to 4 significant complaints in the financial year 2020/21. This low figure is due to the significantly reduced fundraising activity over the last year.

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 MARCH 2021

Figure 6: Growth in fundraising income by income stream



4. Charity infrastructure

COVID-19 closed the Charity offices in early 2020 but they remained accessible during the last year for staff who for business reasons needed to attend the office; the vast majority have continued to work from home. Our business continuity plan and IT provided a smooth transition to this new way of working while retaining our IT and information security. Increasing cyber and IT security threats have seen the Charity continue to place specific emphasis on ensuring that we continue to update our IT infrastructure to deliver a modern and secure information and data system; this has included a review of our data and data protection and planned investment in a new CRM system.

In 2019 the Charity commenced a new operational digital strategy to provide digitally-enhanced delivery of our clinical services that will support frontline clinicians by sharing patient data electronically and supporting improved integration with the London Ambulance Service, Barts Health and London Major Trauma Network to support patients from injury to recovery. The impact of COVID-19 required some reprioritising of this work; however, the momentum continues to improve the cooperation with our partners and efficiency of our clinical staff's daily routines as well as empowering London's Air Ambulance to make insight-led strategic decisions through access to accurate operational business intelligence. The success of some of this work has been highlighted by Microsoft's UK News Centre that has published how our teams are moving to more digital ways of working using Microsoft PowerApps to create and expand how our helipad electronic checklists have been brought to life; this work has also been put forward for a Microsoft Partner of the Year submission.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

In late 2019 we initiated a joint project with Barts Heath NHS Trust to develop the helipad offices and facilities on The Royal London Hospital to include:

- Additional office and meeting room space for duty crew (pilots, medics and firecrew) that has closer access to helipad - a "safe space" for on-duty crews to find respite and debrief critical missions.
- A multi-purpose training room, and
- A rest space for duty crews.

Funds for this project have been provided by a DHSC grant, County Air Ambulance Trust, LAA and Barts Health. The preparation for the construction work for this complex project on the 17th floor under the helipad started in July 2021 with the main construction beginning in September 2021 with an anticipated completion in January 2022.

London's Air Ambulance is a member of Air Ambulances UK and maintains close links with other Air Ambulances through this membership.

5. Developing Our Culture

In September 2020, the Charity commissioned an independent review of Culture, Diversity and Inclusion in which the entire service (including Barts Health and LAS secondees) was invited to contribute by way of survey, focus groups and individual interviews. Engagement in the review was higher than previous pan-service reviews.

Whilst the review was broadly positive, there are areas that we must improve as an organisation, as teams and as individuals, and the directors asked colleagues to think about these in their teams. Each team invited a director and/or trustee to come and listen and learn from the feedback, which helped the directors focus on the key priorities:

- Values and Behaviours - holding ourselves accountable and being responsible in everything we do for the benefit of the service, and ultimately, our patients.
- Diversity and Inclusion – the actions we take to become more cognitively diverse and actively seek to embrace differences of opinion, background and experience.
- Connecting with each other – working to reconnect teams and integrate new colleagues into the organisation, renewing and re-energising after the impact of COVID-19.
- Clarity and accountability – making it clearer in terms of key principles and responsibilities to empower decision making, to encourage and trust in knowledge, judgement and experience.

There are numerous workflows and actions in train to underpin these four areas which are reviewed at monthly Director meetings for progress, and key milestones will be reported back to the Trustee Board.

Salary policy - The salary of all staff, including the senior management team, is reviewed annually. The policy is designed to allow a degree of flexibility and to attract and retain a skilled

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

and expert workforce. To deliver a fair remuneration policy and process, London's Air Ambulance follows the Good Pay Guidelines set by ACEVO, the charity leaders' network, and we embrace its ethos that good pay, transparently set and communicated, means value for money. Pay levels are benchmarked against the social sector annually and at the point of recruitment, to ensure fair pay and value for money on our investment in people so that we can attract, retain and develop great people.

Safeguarding and whistleblowing policy – Safeguarding and whistleblowing policies and codes of conduct apply across the whole organisation to reduce and manage the risk of harm to supporters, staff and volunteers. We recognise that we have additional responsibilities to safeguard children and vulnerable adults. We encourage individuals to report concerns, recognise that there are many barriers to vulnerable people reporting abuse and we are committed to reviewing and improving reporting mechanisms. When concerns are raised, we investigate the circumstances with a view to understanding both the immediate and the potential structural causes and how we can take steps to prevent similar occurrences. Staff can report any type of harassment through several mechanisms including a whistleblowing procedure.

REFERENCE AND ADMINISTRATIVE DETAILS

Details regarding the Trustees, registered office and auditors can be found on page 3.

The Trustees may also be referred to as the Board of Trustees or Directors (where relevant) in this Trustees' Annual Report.

Strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, matters requiring disclosure in the Strategic Report and Directors' Report are disclosed under 'achievements and performance' and 'plans for future periods' on pages 10 to 24 and 'consolidated financial review' and 'risk management' on pages 28 to 30.

2021 CORPORATE GOVERNANCE REPORT

Aims – High standards

The Board aims to operate high standards of corporate governance commensurate with the importance of the Charity's key stakeholders, including patients, donors, our NHS partners, the emergency services and relevant regulators – but also proportionate to the scale of the Charity.

Principles – We follow the Code

The Board believes that the Charity Governance Code (the Code) is appropriate to meet this aim and seeks to apply all elements of the Code, explaining where we do not yet do so, as recommended by the Code.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Governance highlights of FY21

Since our last Governance Report, we have held three specific strategy discussion sessions and made good progress on key aspects of our governance including:

- The induction of the four new trustees to add greater skills, experience and diversity to the Board. The disciplines of the new trustees include clinicians, IT, programme management, fundraising and major charity organisation.
- The first year of a paid Medical Director providing detailed advice and governance insight to the Executive and the Board.
- The completion of a cultural survey and development programme across the Board and the Charity, including with our joint NHS partners.
- An external review of the effectiveness of the Board, further details of which are below.
- The initiation of the succession process for the Chair and Deputy Chair, including the appointment of a special purpose Nominations Committee.

Board effectiveness review – *Broadly good but opportunities to improve*

The Board appointed Prospectus to conduct this independent external review. Prospectus is a specialist recruitment and advisory business for people in the charity sector and was involved with the recruitment of the last four new trustees. The Board considered Prospectus to be independent of the Charity.

The scope of the review was to assess the effectiveness of the Board's operation and provide recommended improvements by reference to best practice and the requirements of the Code.

The review found that for a charity of its size, turnover, profile, significant complexity and risk, the governance of the organisation was broadly good and benchmarked well against the Code. Recommendations for improvement include:

- more representative diversity on the board to reflect the communities we serve and a stronger inclusivity strategy across our Charity
- the board being more reflective on its performance (the 'how did we do' test)
- more extensive touch points between formal meetings to increase trustee learning, visibility and impact
- an annual effectiveness review update
- longer term succession plans for rotation of trustees and key roles

The Board has accepted these recommendations and is in the course of reviewing many other useful opportunities for improvement. Indeed many of these recommendations have already been implemented through the Charity's focus on continuous improvement and others are underway.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Alignment with the Code – *Equality, diversity & inclusion is our priority*

The Board has conducted a review of its application of the Code taking into account the external review. The Code guidance has been applied by the Board with support from its committees including the Audit and Risk Committee and Nominations Committee. The Board has applied the Code across its seven principles but with a focus and challenge culture to continuously improve how we execute on such principles.

In the Board's view the current exception to our application of the Code are some of the recommended practices listed in the Code in relation to equality, diversity and inclusion. The Board has established this area as a priority and has made some progress in the year with: the induction of four new trustees with a broader range of cognitive styles and also enhancing our gender and age diversity; and further progress in our diversity review although less than we had hoped due to the impact of COVID-19 on our bandwidth.

Thus, the Board is still in the process of assessing the Charity's approach to equality, diversity and inclusion, and how that will be supported by appropriate plans and behaviours. This includes the recruitment of trustees to further enhance Board diversity and inclusion to give voice to our communities and multiple stakeholder groups that wish to be heard and included in realising the ambitions of the Charity.

Legal status

London's Air Ambulance Limited is a registered charity, and endeavours to follow the rules, regulations and guidance of the Charity Commission. It is incorporated under the Companies Act 2006 and is a company limited by guarantee, governed by its memorandum and articles of association. As at 31 March 2021, there were ten Trustees each of whom guarantee liability of £10 in the event of the Charity winding up.

The Group is made up of London's Air Ambulance Limited, London's Air Ambulance Trading Limited and The Institute of Pre-Hospital Care Limited. The Charity owns the whole of the issued ordinary share capital in London's Air Ambulance Trading Limited, a company registered in England and Wales with company registration number 04836606. The subsidiary is used for trading activities, namely a society lottery, the sale of charity merchandise and generation of commercial sponsorship income.

The Charity also owns the whole of the issued ordinary share capital in The Institute of Pre-Hospital Care Limited ("The Institute"), a company registered in England and Wales with company registration number 06777277. The principal purpose of the subsidiary is to further promote the objectives of the Charity through its research, innovation and education activities. On 30 November 2020 the business of the Institute was transferred to come under the parent company, London's Air Ambulance Ltd. The IoPHC continues to provide essential delivery of work which directly contributes to London's Air Ambulance charitable objectives, and more widely. Over the last year the expansion of the IoPHC work, and the start of the MSc in Pre-Hospital Care has fundamentally changed the nature of the organisation from being self-sufficient to requiring investment to continue to deliver its activities. A number of options were considered and the Charity Trustees opted for the transfer of the activities of the IoPHC to the parent company so that London's Air Ambulance could continue to invest and develop the skills and opportunities that the IoPHC offers. The financial results of both subsidiaries for this year are disclosed in note 14 of the Charity's accounts.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

The Trustees are satisfied that these accounts comply with the current statutory requirements of the Charity's Memorandum and Articles of Association and the Charity Statement of Recommended Practice (FRS102).

CONSOLIDATED FINANCIAL REVIEW

The Board of Trustees is pleased to report that the total income for the year amounted to £14,132,033 (2020: £13,608,076), an increase of 4% year on year. Staff costs associated with generating voluntary income amounted to 15% (2020: 13%) of total income.

Principal sources of restricted and unrestricted income included: lottery sales of £5,578,582 (2020: £5,662,228); £5,359,054 (2020: £4,127,698) donations from individuals; funding from the NHS of £475,000 (2020: £560,925) through a service level arrangement with Barts Health and donations; funding from corporates and events totalled £497,061 (2020: £1,522,418). Coronavirus related grants totalled £324,701 being £72,701 in coronavirus job retention scheme receipts and a government grant of £252,000. A further instalment of the government grant to fund helipad clinical training equipment of £162,238 was also received.

Costs in the same period totalled £9,239,114 (2020: £10,525,657) a decrease of 12%. This decrease was mainly due to a reduction in face-to-face fundraising costs as activities were suspended due to Coronavirus lockdowns.

The cost of charitable activities was £4,775,526 (2020: 4,957,522). This decrease was mainly due to reduced cost of running courses in the Institute of Pre-Hospital Care, as these were postponed due to COVID-19 restrictions. Helicopter maintenance costs were also lower this year.

Governance costs were £69,509 (2020: £53,896).

London's Air Ambulance Trading Limited received a total income of £5,797,763 (2020: £5,899,429).

All profits from London's Air Ambulance Trading Limited, including merchandise sales, sponsorship income and lottery are passed up to the Charity as donations from time to time during the year leaving a sufficient margin for the trading company to operate efficiently in terms of periodic stock purchase and lottery running costs. In 2021, profits of £5,324,889 were gifted to the Charity (2020: £4,565,376).

The percentage of lottery proceeds returned to the Charity in the calendar year 2020 was 81%.

The Institute of Pre-Hospital Care Limited generated income of £98,935 (2020: £277,038). All taxable profits from the company are passed up to the Charity as donations at the year end. There were no profits this year gifted to the Charity.

In order to continue to provide the best financial support and continue to develop the Institute, the activities of the IoPHC were transferred to the Charity during the year.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

RESERVES POLICY

The Trustees have agreed a strategy to retain sufficient unrestricted cash reserves of a minimum of 6 months' running costs. This unrestricted reserve is contained within the general reserves of £9,840,399 after removing the book value of tangible assets from the unrestricted funds. Reserves are held to safeguard the operation of the service in the event of an unexpected drop in income or in case of unexpected significant expenditure. The Charity has achieved this goal whilst balancing day to day running of the Charity, including running of the helicopters, with planned future capital expenditure and operational objectives. At year end, sufficient free reserves were held to fund nine months of running costs; this excludes £6,000,000 in designated funds that are earmarked towards the cost of new helicopters, the helipad redevelopment and CRM projects. The Charity will continue to build on its reserves as it works towards the investment in new helicopters in 2024/25.

Restricted reserves of £2,784,154 are comprised of balances of all funds held for specific purposes as listed in note 20 to the accounts below and includes the net book value of fixed assets purchased with restricted funds.

Unrestricted funds at year-end increased to £16,922,456 from £12,590,365 and from this fund, the Trustees have designated a further £2m from general reserves towards the helipad redevelopment project and a new CRM (total now designated - £6m). The designated funds are expected to be spent over the next two financial years.

The reserves policy is reviewed annually by the Trustees to ensure that any new or changed legislation or guidance is incorporated and to take into account any changes in the circumstances of the Charity.

It is the Charity's current policy to hold reserves entirely in cash deposits of various maturities with banks credit ratings of at least A2, F2 or P2 in order to minimise volatility and risk."

Risk management covering both charity and subsidiaries

The Board has placed greater emphasis and focus on strategy, performance and assurance over the last year and this continues to develop as the investment in the Charity's data, both operational and fundraising. The relationship between risk and decision making is an area that we are continually striving to improve. Delegated authorities for finance and risk are discharged through the Audit and Risk Committee and the Chief Executive. At the Audit and Risk Committees and Trustee meetings a regular review of the major risks to which the Charity is exposed is discussed and that systems are in place to identify and minimise those risks. Risk management has been incorporated into the Safety Management System approach adopted across the Charity.

There are six principle risk areas that are currently identified:

- **Risk:** Damage/catastrophic loss of a helicopter due to collision with a static object and damage/catastrophic loss through a single point of mechanical/electrical failure.

Mitigations: We always operate with two pilots to improve crew awareness on HEMS missions. We engage with local planning to ensure we are aware of new buildings and have daily briefings concerning new obstacles (cranes etc.) and commercial drone activity

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

that will affect us. In accordance with any weather limitations we always fly above the legal minimum height, regulated by the CAA. The aircraft are maintained in accordance with an approved maintenance schedule and any issues identified by the pilots are addressed by an appropriately qualified engineer. We are also actively engaged with the Department for Transport and Transport for London on airspace development and control over London for future technologies.

- **Risk:** IT security and cyber risk - a cyber-attack or unauthorised access to our IT or data leading to a breach of the Data Protection Act/GDPR and/or monetary loss.

Mitigations: IT is outsourced to a specialist service provider to ensure secure networks and updated software. We also employ an independent consultant to advise and support us. Administrative access is controlled, data is backed up and penetration and disaster recovery testing carried out. IT security enhancements are reviewed and upgraded together with regular staff training to improve awareness of threats. We have closely monitored the increased risk due to Charity staff working from home during the COVID-19 pandemic.

- **Risk:** A personal data breach of the Data Protection Act/GDPR through a breach of our IT and data storage, inappropriate handling and mis-management of data by either London's Air Ambulance members, volunteers or third party agents, that may also impact on our lottery and Gambling Commission license. London's Air Ambulance is the data owner in all circumstances.

Mitigations: We have recently reviewed our GDPR processes, policies and risk supported by an independent legal specialist. Adjustments and improvement in both training and processes have been made to update to latest regulatory guidance. IT and information security is regularly reviewed and updated. We have documented protocols with external agencies who support our data and monitor the contracts and training of third-party data handlers. All canvassers (including third parties) are issued tablets to use electronic forms to improve security and reduce risk of data breaches. Again, we are closely monitoring the increased risk due to Charity staff working from home during the COVID-19 pandemic.

- **Risk:** Lottery or regular giving face to face fundraisers (including those employed through a third-party agency) mis-sell and/or behave in an inappropriate way and are subject to a local or official complaint in breach of the Code of Fundraising Practice.

Mitigations: Third party provided canvassers are monitored and reviewed along with the agency, including regular update and training sessions. We employ a full time Face-to-Face Fundraising Manager to oversee training. Our Supporter Care Team retain a complaints register and any complaints are responded to within two working days.

- **Risk:** The impact of COVID-19 on long term fundraising with the cancellation of community events, Charity events and face to face fundraising on immediate and long-term income for the Charity. Further risk of secondary peaks and subsequent restrictions on fundraising. The stop/go nature of face to face fundraising due to COVID-19 resulted in an overall drop in volume of donors and lottery players during the year (2,000 less regular donors and 11,000 less lottery players).

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

Mitigations: Mitigating plans include measures to retain current regular givers and lottery players, campaigns developed to ensure we remain in the public eye for when lockdown eases, developing new ways of acquiring donors, e.g. direct response television advertisements, direct mail campaigns and running virtual events.

- **Risk:** The Project 2025 plans for fundraising do not meet their targets to purchase the two new aircraft from Charity funds alone. While the impact of COVID 19 on fundraising income over the next 5 years has been covered earlier in this report, it is the Charity's view that the fundraising environment over the next 5 years will remain a challenging one.

Mitigations: Mitigating plans include measures to increase fundraising through a range of measures including major donors, trusts and corporations, and expansion of our donors through digital and face to face activities. Alongside these the Charity is preparing financial options to cover any shortfalls that may materialise.

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks including credit risk and liquidity risk.

Credit risk

The Group's principal financial assets are bank balances and trade and other debtors. The credit risk is primarily attributable to its trade receivables which are presented net of allowances for bad debts. The Group has no significant concentration of credit risk with exposure spread over a large number of parties. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

The Group prepares cash flow forecasts to monitor its ability to meet liabilities as they fall due.

Health and safety

London's Air Ambulance Limited is committed to maintaining a safe and healthy working environment wherever it operates; it does this through adopting safe working practices and procedures which are regularly reviewed and updated. Each individual who is engaged by or on behalf of London's Air Ambulance Limited either as an employee or as a volunteer, is aware of their responsibility for meeting these requirements.

The Charity's Health and Safety Policy is a key part of our overall strategy and provides the framework for managers to implement necessary action points such as hazard prevention, control procedures and employee training.

Our approach to health and safety includes a Safety Management System (SMS) which has been approved and audited by the Civil Aviation Authority (CAA). SMS represents an organisational approach to health and safety and risk management and is further supplemented at the helipad by quarterly Safety Review Board meetings. These meetings are minuted, the reports are retained on a database and hardcopies are available in an incident book that is kept on site.

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

We have been actively managing health and safety and risk during the COVID-19 pandemic working in conjunction with Barts Health Trust and London Ambulance Service for our operational teams and Government and HSE (Health and Safety Executive) advice for our Charity staff and offices.

TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of London's Air Ambulance Limited 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), including Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the Group and of the income and expenditure of the Charitable Group for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP (FRS102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and the Group and enables them to ensure that the Financial Statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 MARCH 2021**

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all the steps that they ought to have taken in order to make them aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Registered office:
5th Floor
77 Mansell Street
E1 8AN

Date November 16, 2021

Signed on behalf of the Trustees

Bob Forsyth

Bob Forsyth
Member of the Board of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
LONDON'S AIR AMBULANCE LIMITED
YEAR ENDED 31 MARCH 2021**

Opinion

We have audited the financial statements of London's Air Ambulance (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise consolidated statement of financial activities, consolidated and charity balance sheets, consolidated statement of cash flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
LONDON'S AIR AMBULANCE LIMITED
YEAR ENDED 31 MARCH 2021**

Other information

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

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.

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' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF LONDON'S AIR AMBULANCE LIMITED YEAR ENDED 31 MARCH 2021

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 31, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include the Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
LONDON'S AIR AMBULANCE LIMITED
YEAR ENDED 31 MARCH 2021**

Further the group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements; through a significant fine, litigation or restrictions on the group's operations. We identified the most significant laws and regulations to be those issued by the Civil Aviation Authority covering safety requirements in the aviation industry and those issued by the Gambling Commission covering requirements for running a lottery.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
LONDON'S AIR AMBULANCE LIMITED
YEAR ENDED 31 MARCH 2021**

Use of our report

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



.....
Liz Hazell (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street, London, EC4V 4BE

18 November 2021
Date

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2021

	Note	Restricted Funds 2021	Unrestricted Funds 2021	Total Funds 2021	Total Funds 2020
INCOME					
Donations and legacies	2	1,415,306	6,029,084	7,444,390	5,846,723
Income from trading activities	3	–	5,977,638	5,977,638	6,852,892
Income from charitable activities	4	–	601,083	601,083	862,259
Investment income		–	36,221	36,221	46,202
Coronavirus Job Retention Scheme		–	72,701	72,701	–
TOTAL INCOME		1,415,306	12,716,727	14,132,033	13,608,076
EXPENDITURE					
Costs of raising funds	5	27,361	4,436,227	4,463,588	5,597,691
Costs of charitable activities	6	826,921	3,948,605	4,775,526	4,927,967
TOTAL EXPENDITURE		854,282	8,384,832	9,239,114	10,525,658
NET INCOME BEFORE NET GAIN ON INVESTMENTS					
		561,024	4,331,895	4,892,919	3,082,418
Net gain / (loss) on investments	14	–	194	194	(258)
NET INCOME FOR THE YEAR	10	561,024	4,332,089	4,893,113	3,082,160
Balances brought forward		2,223,130	12,590,365	14,813,495	11,731,335
Balances carried forward		2,784,154	16,922,454	19,706,608	14,813,495

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

All of the above amounts relate to continuing activities.

The notes on pages 41 to 68 form part of these financial statements

CONSOLIDATED AND CHARITY BALANCE SHEETS
AT 31 MARCH 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
FIXED ASSETS					
Tangible assets	13	2,492,631	2,760,980	2,492,630	2,755,004
Investments	14	2,123	1,929	2,226	2,031
		2,494,754	2,762,909	2,494,856	2,757,035
CURRENT ASSETS					
Stock		12,094	14,201	–	–
Debtors	15	1,418,637	1,355,436	4,951,065	4,674,570
Cash at bank and in hand		17,315,919	11,889,889	13,282,927	8,039,338
		18,746,650	13,259,526	18,233,992	12,713,908
CREDITORS: Amounts falling due within one year	16	(1,534,796)	(1,208,940)	(1,051,117)	(634,676)
NET CURRENT ASSETS		17,211,854	12,050,586	17,182,875	12,079,232
NET ASSETS		19,706,608	14,813,495	19,677,731	14,836,267
FUNDS					
Restricted	20	2,784,154	2,223,130	2,784,154	2,223,130
Unrestricted:					
General Funds	21	10,922,454	8,590,365	10,893,577	8,613,137
Designated Funds	21	6,000,000	4,000,000	6,000,000	4,000,000
TOTAL FUNDS		19,706,608	14,813,495	19,677,731	14,836,267

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities has been presented for the Charity alone. The net income for the Charity for the year was £4,841,272 (2020: £3,105,188).

These financial statements were approved by the trustees on November 16, 2021 and are signed on their behalf by:

..... *Bob Forsyth*
Robert Forsyth
Member of the Board of Trustees

Company registration number: 2337239

The notes on pages 41 to 68 form part of these financial statements

CONSOLIDATED STATEMENT OF CASHFLOWS
AT 31 MARCH 2021

	Group 2021 £	Group 2020 £
Cash flows from operating activities		
Net income	4,893,114	3,082,160
Adjustments for:		
Depreciation charge	509,682	464,456
(Gains) / losses on investments	(195)	258
Loss/ (gain) on disposal of fixed assets	–	3,698
Dividends and interest from investments	(36,221)	(46,202)
Decrease / (increase) in stock	2,107	(6,519)
(Increase) / decrease in debtors	(63,201)	501,332
Increase / (decrease) in creditors	325,855	(46,800)
Net cash provided by operating activities	5,631,141	3,952,383
Cash flows from investing activities		
Dividends and interest from investments	36,221	46,202
Purchase of property, plant & equipment	(241,332)	(220,994)
Net cash (used in) investing activities	(205,111)	(174,792)
Change in cash and cash equivalents in the year	5,426,030	3,777,591
Cash and cash equivalents at the beginning of the year	11,889,889	8,112,298
Cash and cash equivalents at the end of the year	17,315,919	11,889,889

Note A – Analysis of changes in net debt

	At 1 April 2020 £	Cash Flows £	At 31 March 2021 £
Cash	11,889,889	5,426,030	17,315,919
	11,889,889	5,426,030	17,315,919

The notes on pages 41 to 68 form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

General information

London's Air Ambulance Limited is a private company limited by guarantee incorporated in England and Wales under the Companies Act (company number 02337239). The address of the registered office is 5th Floor, 77 Mansell Street, London, E1 8AN. The objectives of the Charity are set out on page 15.

Basis of accounting

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

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

The functional currency of the Charity is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling to the nearest £, unless otherwise stated.

Basis of consolidation

These financial statements consolidate the results of the Charity and its wholly owned trading subsidiaries, London's Air Ambulance Trading Limited and The Institute of Pre-Hospital Care Limited, on a line-by-line basis.

Preparation of the accounts on a going concern basis

The accounts of the Charity have been prepared on a going concern basis. The directors confirm that the going concern basis remains appropriate for the preparation of these accounts based on the following assessment process:

- A cash forecast was prepared for the period to 31 Dec 2022 ("the going concern review period");
- The material mitigated risks to that forecast, including those listed p22-24, were considered against the headroom of cash available;
- The level of forecast cash headroom over the going concern review period is considered sufficient to absorb a severe but plausible downside: and
- In the event of a shortfall in funding management have the ability to control certain costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – *continued*

As a result, the directors concluded that the Charity and the group have sufficient resources to meet its liabilities and continue in operation to 31 Dec 2022.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

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

Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from donations and gifts is recognised when the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Income (continued)

In accordance with the Charities SORP (FRS 102), the contribution of volunteers is not recognised in the accounts.

Income for the provision of training, research and education in pre-hospital medical care is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the weekly lottery is recognised when the draw takes place. Income received in advance of a lottery draw is recognised as deferred income on the balance sheet.

Revenue from commercial sponsorship is recognised based over the period the service is provided.

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

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with attracting donations and the costs of commercial trading including the retail shop and weekly lottery.
- Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and service for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include office costs, finance, staff costs, depreciation and governance costs. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs have been allocated on the basis of time spent on raising funds or charitable activities.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Fixed assets and depreciation

Tangible fixed assets are initially recorded at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Helicopters	- over its useful life to 2024
Medical Equipment	- 33% reducing balance basis
Office Improvements	- over the life of the lease
Plant and Equipment	- over 3 years straight line basis
Computer Equipment	- 33% reducing balance basis
Office Equipment	- over 3 years straight line basis
Motor Vehicle Equipment	- over the period of the vehicle lease

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities (SOFA) as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the SOFA.

Subsidiary undertakings

The subsidiary undertakings have been included in the Charity's balance sheet at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

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

Financial instruments

The Charity 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.

Pension costs

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Differences between contributions payable in the year and the contributions actually paid are shown as either accruals or prepayments on the balance sheet.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

The largest estimate within the accounts is the value of the helicopters and the estimated useful life and residual value. Estimates are provided by a professional helicopter valuation service.

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Current year			
Corporate and Individuals	467,925	5,420,369	5,888,294
Foundations	947,381	291,851	1,239,232
Collections – pots and buckets	–	22,554	22,554
Gifts in kind	–	294,310	294,310
	1,415,306	6,029,084	7,444,390
Comparative year			
Corporate and Individuals	18,570	4,966,584	4,985,154
Foundations	170,955	332,744	503,699
Collections – pots and buckets	–	103,495	103,495
Gifts in kind	–	254,375	254,375
	189,525	5,657,198	5,846,723

Unrestricted donations include a total of £500 received from trustees (2020: £nil).

During the year, the company received gifts in kind in the form of:

- Legal and professional services of £228,868 (2020: £nil) for renewal office lease, contracts, sponsorships and the transfer of Institute
- Helicopter landing fees of £54,819 (2020: £89,766)
- Specialist medical equipment £nil (2020: £154,660)
- Fundraising costs of £475 (2020: £nil)
- Other small amounts of £10,148 (2020: £9,948).

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

3. INCOME FROM TRADING ACTIVITIES

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £	Total and Unrestricted Funds 2020 £
Lottery, corporate sponsorships and retail shop	–	5,797,765	5,797,765	5,899,431
Events	–	179,873	179,873	906,476
Other trading activities	–	–	–	46,985
	–	5,977,638	5,977,638	6,852,892

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £	Total and Unrestricted Funds 2020 £
Institute of Pre-Hospital Care	–	126,082	126,082	301,334
Grant income from Barts Health NHS Trust	–	475,001	475,001	560,925
	–	601,083	601,083	862,259

5. COSTS OF RAISING FUNDS

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Current year			
Direct Staff & related costs	–	1,217,926	1,217,926
Appeals costs	6,308	1,148,071	1,154,379
Support costs	21,053	1,715,694	1,736,747
	27,361	4,081,691	4,109,052
Lottery, corporate sponsorships and retail shop	–	354,536	354,536
	27,361	4,436,227	4,463,588

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

5. COSTS OF RAISING FUNDS – continued

	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total Funds 2020 £
Comparative year			
Direct Staff & related costs	–	1,065,776	1,065,776
Appeals costs	2,539	2,032,262	2,034,801
Support costs	29,271	1,266,096	1,295,367
	31,810	4,364,134	4,395,944
Lottery, corporate sponsorships and retail shop	–	1,201,747	1,201,747
	31,810	5,565,881	5,597,691

Analysis of costs of raising funds:

	Staff & related costs £	Depreciation £	Other costs £	Total Funds 2021 £
Current year				
Fundraising activities	1,216,893	48,120	2,844,039	4,109,052
Lottery and retail shop	1,033	5,209	348,294	354,536
	1,217,927	53,329	3,192,333	4,463,588

	Staff & related costs £	Depreciation £	Other costs £	Total Funds 2020 £
Comparative year				
Fundraising activities	1,039,965	51,332	3,304,647	4,395,944
Lottery and retail shop	25,811	4,881	1,171,055	1,201,747
	1,065,776	56,213	4,475,702	5,597,691

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

6. CHARITABLE ACTIVITIES

Current year	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Charitable Activities:			
Helicopter maintenance	266,932	865,993	1,132,925
Direct helicopter costs	209,950	929,138	1,139,088
Fire-fighters costs	–	307,712	307,712
Vehicle leasing	86,333	12,241	98,574
Direct vehicle costs	–	250,340	250,340
Consultancy fees	–	95,948	95,948
Institute costs	24,988	111,711	136,699
Other related costs	225,815	268,217	494,032
Support costs	12,903	1,107,305	1,120,208
	826,921	3,948,605	4,775,526
Comparative year			
	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2020 £
Charitable Activities:			
Helicopter maintenance		1,283,345	1,283,345
Direct helicopter costs	202,119	961,453	1,163,572
Fire-fighters costs	–	285,319	285,319
Vehicle leasing	68,543	2,857	71,400
Direct vehicle costs	–	131,104	131,104
Consultancy fees	–	71,237	71,237
Institute costs	51,459	347,244	398,702
Other related costs	105,805	437,618	543,423
Support costs	17,940	961,925	979,865
	445,866	4,482,101	4,927,967

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

6. CHARITABLE ACTIVITIES – continued

Analysis of charitable activities:

Current year	Staff & related costs £	Depreciation £	Other costs £	Total 2021 £
Helicopter maintenance	–	–	1,132,925	1,132,925
Direct helicopter costs	778,292	305,948	54,848	1,139,088
Fire-fighters costs	307,712	–	–	307,712
Vehicle leasing	–	–	98,574	98,574
Direct vehicle costs	189,990	–	60,350	250,340
Consultancy fees	–	–	95,948	95,948
Institute costs	–	–	136,699	136,699
Other related costs	458,435	35,597	–	494,032
Support costs	547,056	21,916	551,236	1,120,208
	2,281,485	363,461	2,130,580	4,775,526

Comparative year	Staff & related costs £	Depreciation £	Other costs £	Total 2020 £
Direct helicopter costs	767,397	305,922	90,254	1,163,573
Fire-fighters costs	285,319	–	–	285,319
Vehicle leasing	–	–	71,400	71,400
Direct vehicle costs	115,952	–	15,152	131,104
Consultancy fees	–	–	71,237	71,237
Institute costs	–	–	398,702	398,702
Other related costs	453,248	90,175	–	543,423
Support costs	465,979	24,468	489,418	979,865
	2,087,895	420,565	2,419,507	4,927,967

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

7. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

The cost of the two main charitable activities and the sources of income directly to support those activities is summarised below:

	Emergency Medical Service £	Educational Activities £	Total £
Current year			
Grant income	475,001	–	475,001
Institute income	–	126,082	126,082
Total charitable income	475,001	126,082	601,083
Costs	(4,638,827)	(136,699)	(4,775,526)
Net cost funded from other income	(4,163,826)	(10,617)	(4,174,443)
	Emergency Medical Service £	Educational Activities £	Total £
Comparative year			
Grant income	560,925	–	560,925
Institute income	–	301,334	301,334
Total charitable income	560,925	301,334	862,259
Costs	(4,529,264)	(398,702)	(4,927,967)
Net cost funded from other income	(3,968,339)	(97,368)	(4,065,708)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

8. SUPPORT COSTS

When allocating support costs the Charity follows the below process:

- The costs of all support functions are identified and allocated;
- The costs directly associated with the governance function, e.g. audit fees, are allocated;
- The remaining support costs together with the governance costs are apportioned between Charitable Activities and Fundraising Activities based on estimated time spent.

Current year	Raising funds	Charitable	Total 2021
	£	activities	£
		£	
Staff & related costs	874,175	547,056	1,421,231
Finance costs	–	1,537	1,537
Depreciation	48,120	28,717	76,837
Office costs	814,452	473,389	1,287,841
Governance costs (see note 9)	–	69,509	69,509
	1,736,747	1,120,208	2,856,955

Comparative year	Raising funds	Charitable	Total 2020
	£	activities	£
		£	
Staff & related costs	744,350	465,979	1,210,329
Finance costs	2,145	1,908	4,053
Depreciation	40,990	24,462	65,452
Office costs	507,644	433,620	941,264
Governance costs (see note 9)	–	53,896	53,896
	1,295,129	979,865	2,274,994

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

9. GOVERNANCE COSTS

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £
Salary costs	–	42,392	42,392
Office costs	–	4,755	4,755
IT costs	–	2,038	2,038
Audit fees	–	14,500	14,500
Computer equipment depreciation	340	437	777
Legal fees	–	5,047	5,047
	<hr/> 340	<hr/> 69,509	<hr/> 69,509 <hr/>

	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total Funds 2020 £
Salary costs	–	35,389	35,389
Office costs	–	5,309	5,309
IT costs	–	2,039	2,039
Audit fees	–	10,200	10,200
Computer equipment depreciation	472	189	661
Legal fees	–	298	298
	<hr/> 472	<hr/> 53,424	<hr/> 53,896 <hr/>

10. NET INCOME

Net income is stated after charging:

	2021 £	2020 £
Staff pension contributions	300,435	274,763
Operating lease costs – building	159,553	39,158
Operating lease costs – other	23,504	50,120
Depreciation		
– on owned assets	509,682	464,456
Auditors’ remuneration		
– as auditors of the parent charity	14,500	10,200
– as auditors of the subsidiaries	13,400	14,000
– for other services	9,274	16,797

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

11. TAXATION

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	3,229,799	2,853,877
Social security costs	335,317	294,141
Pension costs	300,435	274,763
	3,865,551	3,422,781

Pension costs are allocated to activities in proportion to the related staffing costs.

The number of employees whose emoluments for the year fell within the following bands was:

	Number of employees	Number of employees
	2021	2020
£60,000 to £69,999	6	3
£70,000 to £79,999	4	4
£90,000 to £99,999	2	2
£110,000 to £119,999	1	–
£120,000 to £129,999	1	2

There were pension contributions of £97,163 paid to higher paid staff during the year. (2020: £82,856). The number of higher paid employees accruing benefits under defined contribution pension schemes were 13 (2020: 10).

The key management personnel of the Charity comprise the trustees, the chief executive officer, the chief operating officer and the director of fundraising and marketing. The total employee benefits of the key management personnel of the Charity were £356,927 (2020: £368,463).

The trustees have not received any remuneration during the year (2020: £nil).

No out of pocket expenses were reimbursed to trustees during the year (2020: £nil).

No Charity trustee received payment for professional or other services supplied to the Charity (2020: £nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

12. STAFF COSTS – continued

Particulars of employees:

The average number of staff employed by the Group during the year amounted to:

	Group 2021 No	Group 2020 No
Fire fighters	5	5
Pilots	5	5
Operational	35	37
Fundraising	28	27
	<hr/> 73 <hr/>	74

13. TANGIBLE FIXED ASSETS

GROUP

	Helicopters £	Medical Equipment £	Office Improve- ments £	Plant, Office & Computer Equipment £	Motor Vehicle Equipment £	Total £
COST						
At 1 April 2020	4,982,832	374,417	264,987	440,507	32,292	6,095,035
Additions	–	241,332	–	–	–	241,332
Disposals	–	–	–	–	–	–
At 31 March 2021	4,982,832	615,749	264,987	440,507	32,292	6,336,367
DEPRECIATION						
At 1 April 2020	2,509,878	192,383	209,423	401,767	20,603	3,334,053
Charge for the year	305,948	111,348	55,562	29,379	7,445	509,682
Eliminated on disposal	–	–	–	–	–	–
At 31 March 2021	2,815,826	303,731	264,985	431,146	28,047	3,843,735
NET BOOK VALUE						
At 31 March 2021	2,167,006	312,018	2	9,361	4,245	2,492,631
At 31 March 2020	2,472,954	182,034	55,564	38,740	11,689	2,760,980

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

13. TANGIBLE FIXED ASSETS – continued

CHARITY

	Helicopters £	Medical Equipment £	Office Improve- ments £	Plant, Office & Computer Equipment £	Motor Vehicle Equipment £	Total £
COST						
At 1 April 2020	4,982,832	370,778	264,988	408,425	32,288	6,059,311
Additions	–	241,337	–	–	–	241,337
Disposals	–	–	–	–	–	–
At 31 March 2020	4,982,832	612,115	264,988	408,425	32,288	6,300,648
DEPRECIATION						
At 1 April 2020	2,509,878	189,375	209,423	375,027	20,604	3,304,307
Charge for the year	305,948	110,717	55,562	24,040	7,445	503,712
Eliminated on disposal	–	–	–	–	–	–
At 31 March 2021	2,815,826	300,091	264,985	399,067	28,049	3,808,018
NET BOOK VALUE						
At 31 March 2021	2,167,006	312,024	3	9,358	4,239	2,492,630
At 31 March 2020	2,472,954	181,403	55,565	33,398	11,684	2,755,004

14. INVESTMENTS

	Unrestricted		Unrestricted	
	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Market value at 1 April 2020	1,929	2,187	2,031	2,289
Net gain on revaluation	194	(258)	194	(258)
Market value at 31 March 2021	2,123	1,929	2,225	2,031

Analysis of investments at 31 March 2021:

	£	£	£	£
Unlisted UK subsidiary undertakings	–	–	102	102
Listed UK Equities	2,123	1,929	2,123	1,929
	2,123	1,929	2,225	2,031

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

14. INVESTMENTS – continued

All investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost.

The following investments were material in the context of the investment portfolio:

National Grid – £1,515 (2020: £1,382)
 Tesco Plc – £111 (2020: £114)
 National Express – £185 (2020: £119)
 Lloyds Bank Group – £110 (2020: £nil)

London’s Air Ambulance Trading Limited

At 31 March 2021, the Charity owned all of the ordinary share capital in London’s Air Ambulance Trading Limited (registered number 4836606), a private company limited by shares registered in the UK. The registered office is 5th Floor, 77 Mansell Street, London, E1 8AN. The subsidiary, which is not itself a charity, is used for the purpose of trading, which in the year was the selling of charity merchandise, sourcing of corporate sponsorships and the running of a weekly lottery. All profits of London’s Air Ambulance Trading Limited are gifted to the Charity.

The summary financial performance of the subsidiary alone is:

	2021	2020
	£	£
Turnover	5,797,763	5,899,429
Cost of sales	(324,967)	(1,154,596)
Administrative expenses	(151,008)	(186,877)
Interest receivable	3,101	7,983
Net profit	5,324,889	4,565,939
Reserves b/f	–	–
Amount gift aided to the Charity	(5,324,889)	(4,565,376)
Retained in subsidiary	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

14. INVESTMENTS – continued

The assets and liabilities of the subsidiary were:

	2021	2020
	£	£
Fixed assets	–	5,208
Current assets	3,936,334	3,949,809
Current liabilities and provisions	(3,936,322)	(3,955,015)
Total net assets	2	2
Aggregate share capital and reserves	2	2

The Institute of Pre-Hospital Care Limited

At 31 March 2021, the Charity owned all of the ordinary share capital of The Institute of Pre-Hospital Care Limited (registered number 06777277), a private company limited by shares registered in the UK. The registered office is 5th Floor, 77 Mansell Street, London, E1 8AN. The subsidiary, which is not itself a charity, is used for the provision of training, research and education in pre-hospital medical care. The subsidiary is a not-for-profit organisation and furthers the charitable objectives of the charity. All profits of The Institute of Pre-Hospital Care Limited are gifted to the Charity. On 30 November 2020 the business of the Institute was transferred to come under the parent company, London’s Air Ambulance Ltd

The summary financial performance of the subsidiary alone is:

	2021	2020
	£	£
Turnover	98,935	277,038
Cost of sales	(20,291)	(99,554)
Administrative expenses	(122,001)	(200,274)
Interest receivable	3	37
Other gains/losses – loan waiver	95,000	
Tax	–	(16)
Net profit	51,646	(22,769)
Reserves b/f	(22,769)	–
Amount gift aided to the Charity	–	–
Retained in subsidiary	28,877	(22,769)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

14. INVESTMENTS – continued

The assets and liabilities of the subsidiary were:

	2021	2020
	£	£
Fixed assets	–	767
Current assets	116,128	42,033
Current liabilities	(87,151)	(65,469)
Total net assets	28,977	(22,669)
Aggregate share capital and reserves	28,977	(22,669)

15. DEBTORS

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	6,508	317,120	6,485	246,424
Other debtors	74,986	156,088	73,240	151,823
Prepayments and accrued income	1,337,143	882,228	1,331,541	833,006
Amounts owed by Group undertakings	–	–	3,539,799	3,443,317
	1,418,637	1,355,436	4,951,065	4,674,570

16. CREDITORS: Amounts falling due within one year

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade creditors	412,391	345,028	378,028	322,519
Taxation and social security	98,639	77,363	98,640	72,544
Sundry Creditors	210,401	141,145	142,198	54,432
Accruals and deferred income	813,365	645,404	432,251	185,181
	1,534,796	1,208,940	1,051,117	634,676

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

17. DEFERRED INCOME

	2021	2020
	£	£
Balance at 1 April	414,290	347,499
Amount released to income	(414,290)	(347,499)
Amount deferred in the year	337,553	414,290
	<hr/>	
Balance at 31 March	337,553	414,290
	<hr/>	

Deferred income comprises lottery receipts, funding and course income received in advance.

18. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2021 the Charity had total minimum lease payments under non-cancellable operating leases as set out below.

Group and Charity

	2021		2020	
Operating leases which expire:	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Within 1 year	186,582	35,782	105,198	70,920
Between 1 and 5 years	668,586	33,284	–	42,145
	<hr/>			
	855,168	69,066	105,198	113,065
	<hr/>			

Since the year end a new lease for office space has been agreed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

19. ANALYSIS OF NET ASSETS IN FUNDS

Fund balances at 31 March 2021 are represented by:

	Tangible fixed assets and Investments £	Cash at bank £	Other net liabilities £	Total £
Restricted funds	1,585,069	1,046,745	152,340	2,784,154
Unrestricted funds				
General funds	909,685	10,269,174	(256,405)	10,922,454
Designated funds	–	6,000,000	–	6,000,000
	<hr/> 2,494,754	<hr/> 17,315,919	<hr/> (104,065)	<hr/> 19,706,608

Fund balances at 31 March 2020 are represented by:

	Tangible fixed assets and Investments £	Cash at bank £	Other net liabilities £	Total £
Restricted funds	1,678,925	487,573	56,631	2,223,130
Unrestricted funds				
General funds	1,083,984	7,402,316	104,066	8,590,365
Designated funds	–	4,000,000	–	4,000,000
	<hr/> 2,762,909	<hr/> 11,889,889	<hr/> 160,697	<hr/> 14,813,495

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

20. RESTRICTED INCOME FUNDS

Current year	Balance at 1 April 2020 £	Income £	Expenditure £	Transfer £	Balance at 31 Mar 2021 £
Helicopter Fund	1,554,134	3,260	(204,125)	–	1,353,269
Manikins Fund	40,055	12,000	(13,296)	–	38,759
Response Car Fund	105,447	–	(80,792)	–	24,655
Patient Liaison Nurse Fund	35,473	10,000	(548)	–	44,925
Ultra Sounds	27,278	–	(8,804)	–	19,194
Thomas Packs	1,300	3,875	(1,824)	(1,300)	2,051
BSc Scholarships	1,600	–	–	–	1,600
Office Move	33,325	–	(33,051)	–	274
Presentation & Outreach Equipment	1,428	–	(906)	–	522
Helipad Ops	60,360	152,512	(87,427)	1,300	126,745
Fellowship Fund	9,361	60,000	(9,362)	–	59,999
Patient Support PRU	17,367	–	(1,167)	–	16,200
Outreach Activity Fund	–	16,537	(11,207)	–	5,330
Institute Activity Fund	–	4,330	(4,330)	–	–
Helivan Fund	12,125	6,675	(15,627)	–	3,173
Helipad Redevelopment Fund	13,665	–	(9,421)	–	4,244
Jet Fuel and Mission Costs	310,212	714,739	(357,801)	–	667,150
Helicopter Costs	–	7,814	(7,814)	–	–
Other Restricted Funds	–	416,064	–	–	416,064
	–	7,500	(7,500)	–	–
Restricted funds	2,223,130	1,415,306	854,282	–	2,784,154

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

20. RESTRICTED INCOME FUNDS – continued

Comparative year	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 Mar 2020 £
Helicopter fund	1,755,666	3,570	(205,102)	1,544,134
Manikins fund	53,723	–	13,668)	40,055
Response car fund	157,490	–	(52,043)	105,447
Patient liaison nurse fund	13,473	22,000	–	35,473
Ultra sounds	27,904	12,040	(12,666)	27,278
Thomas packs	1,300	–	–	1,300
BSc scholarships	4,945	–	(3,345)	1,600
Office move	79,919	–	(46,594)	33,325
HELIMED app	4,379	–	(4,379)	–
Presentation & Outreach equipment	2,045	–	(617)	1,428
Helipad Ops	58,510	58,639	(56,789)	60,360
Fellowship Fund	28,740	–	(19,379)	9,361
Patient Support	2,367	15,000	–	17,367
REBOA Research	3,127	–	(3,127)	–
PRU	16,500	–	(16,500)	–
Outreach Activity Fund	2,171	5,560	(7,731)	–
Institute Activity Fund	25,000	5,000	(17,875)	12,125
Helivan Fund	23,649	–	(9,984)	13,665
Pan London Conference Fund	373	–	(373)	–
Helipad redevelopment fund	250,000	67,716	(7,504)	310,212
Restricted funds	2,511,281	67,716	(477,676)	2,223,130

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

20. RESTRICTED INCOME FUNDS – continued

Name of fund	Description, nature & purpose of fund
Helicopter fund	To purchase an additional helicopter and fund its ongoing operations as well as extended daylight hours for 5 years.
Manikins fund	To purchase medical manikins for training purposes.
Response car fund	To fund the lease of a Patient Response Unit vehicle.
Patient liaison nurse fund	To fund the patient liaison nurse.
Ultra sounds	To purchase portable ultrasound equipment used in roadside medical interventions.
Thomas packs	To purchase portable medical equipment bags.
BSc Scholarships	To fund the student fees and medical conference fees for two students a year studying towards the Intercalated BSc in Pre-Hospital Care provided by Queen Mary University and The Institute of Pre-Hospital Care Ltd.
Office move	To fund the Charity office move from 7/8 Philpot Lane to 77 Mansell Street.
HELIMED app	To fund the development of a free app available on Android and Apple devices which incorporates key parts of the Science, Technology, Engineering and Mathematics school curriculum for 11-14 year olds.
Presentation & Outreach equipment	To fund the purchase of laptops, tablets and other equipment to support our educational and outreach programmes.
Helipad Ops	To purchase Thomas packs and other medical carry bags for use on the helicopter during HEMS operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

Fellowship Fund	To pay for a three year fellowship for assistance with clinical research and co-ordination, particularly research into the causes of death during trauma.
Patient Support	To pay for the 'patient survivor' booklet and a patient area of the charity's website.
REBOA Research	To fund a REBOA research fellowship.
PRU	To contribute to the leasing costs of the PRU.
Outreach Activity Fund	To support outreach work including the salary of the Outreach & Learning Officer
Institute Activity Fund	To support the activities of the Institute of Pre-Hospital Care.
Helivan Fund	To purchase and fit out a van to support our educational and outreach programme.
Pan London Conference Fund	To fund a conference for trauma nurses.
Helipad Redevelopment Fund	To fund helipad improvements including office accommodation, training facilities and storage.
Jet Fuel and Mission Costs Fund	To fund jet fuel and mission costs. Including grants for Covid community responses
Helicopter Costs Fund	To fund helicopter costs, including funds to aid the continuation and expansion of the current helicopter service

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

21. UNRESTRICTED INCOME FUNDS

	Balance at 1 April 2020 £	Income £	Expenditure £	Net gain on investment £	Transfers £	Balance at 31 March 2021 £
Current year						
General funds	8,590,365	12,716,727	(8,384,832)	194	(2,000,000)	10,922,454
Designated helicopter fund	4,000,000	–	–	–	–	4,000,000
Designated CRM and helipad development	–	–	–	–	2,000,000	2,000,000
	12,590,365	12,716,727	(8,384,832)	194	–	16,922,454

The designated helicopter fund relates to funds set aside for a future helicopter purchase.

The designated CRM and helipad development fund relates to the purchase and implementation of a new CRM system and charity contribution towards the cost of the helipad development.

	Balance at 1 April 2019 £	Income £	Expenditure £	Net gain on investment £	Transfers £	Balance at 31 March 2020 £
Comparative year						
General funds	8,220,054	13,418,551	(10,047,981)	(258)	(3,000,000)	8,590,365
Designated helicopter fund	1,000,000	–	–	–	3,000,000	4,000,000
	9,220,054	13,418,551	(10,047,981)	(258)	–	12,590,365

22. RELATED PARTY TRANSACTIONS

London's Air Ambulance Trading Limited, a wholly owned trading subsidiary, made a payment of £5,324,889 to the Charity during the year under a deed of covenant (2020: £4,565,376). At the balance sheet date, the amount owing was £3,452,649 to the Charity, which is included within debtors (2020: £3,446,220). This is an inter-company account between the Charity and its wholly owned subsidiary. No interest is charged on the amount and regular repayments are made by the subsidiary.

The Institute of Pre-hospital Care Limited, a wholly owned trading subsidiary, had no taxable profits and therefore made no payment to the Charity (2020: £nil). At the balance sheet date, the amount due from the subsidiary was £87,151 (2020: owed to subsidiary £2,903). This is an inter-company account between the Charity and its wholly owned subsidiary. No interest is charged on the amount and regular repayments are made by the subsidiary.

The Institute of Pre-Hospital Care Limited will become dormant in the next financial year. As part of the process of transferring the activities to the Charity a loan due from the subsidiary of £95,000 was waived.

There were no other related party transactions during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

23. COMPANY LIMITED BY GUARANTEE

The Charitable Company is limited by guarantee and, as such, has no share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company. The total of such guarantees at 31 March 2021 was £90 (2020: £90).

24. FINANCIAL INSTRUMENTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Financial assets measured at fair value through statement of financial activities:				
Investments	2,123	1,929	2,226	2,031

The income, expense, gains and losses in respect of financial assets are summarised below:

Net gain/(loss) on investments	194	(258)	194	(258)
Investment income	36,221	46,202	33,120	38,219

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

25. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

The full consolidated statement of financial activities for the year ended 31 March 2020 is presented below:

	Restricted Funds 2020 £	Unrestricted Funds 2020 £	Total Funds 2020 £
INCOME			
Donations and legacies	189,525	5,657,198	5,846,723
Income from trading activities	–	6,852,892	5,621,157
Income from charitable activities	–	862,259	1,001,539
Investment income	–	46,202	23,110
TOTAL INCOME	189,525	13,418,551	13,608,076
EXPENDITURE			
Costs of raising funds	31,810	5,565,881	5,597,691
Costs of Charitable activities	445,866	4,482,101	4,927,967
TOTAL EXPENDITURE	477,676	10,047,982	10,525,658
Net income before net gain on investments	(288,151)	3,370,569	3,082,418
Net gain on investments	–	(258)	(258)
NET INCOME FOR THE YEAR	(288,151)	3,370,311	3,082,160
Total funds brought forward	2,511,281	9,220,054	11,731,335
TOTAL FUNDS CARRIED FORWARD	2,223,130	12,590,365	14,813,495