



**HAMPSHIRE AND
ISLE OF WIGHT
AIR AMBULANCE**

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED

30 SEPTEMBER 2020

Company Number 5244460

Charity Number 1106234



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

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HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

The Trustees of Hampshire and Isle of Wight Air Ambulance (HIOWAA), who are also Directors of the charitable company for the purpose of Company Law, are pleased to present their Annual Report and the Financial Statements for the year ended 30 September 2020. The reference and administrative information set out on page 12 forms part of this report.

Chairman's Report

The Report to the Annual Accounts always provides a moment to reflect on the Charity's achievements, and I start by paying tribute to the dedication and relentless hard work of everyone associated with our Air Ambulance

The arrival of Coronavirus CoVid-19 in early 2020 caused enormous difficulties throughout the country and especially to the charitable sector, bringing a halt to all fundraising outreach, volunteering and face-to-face charitable activities. The effect this has had on our Charity and its people is extensive: in the early stage of the pandemic, widespread Covid testing was unavailable and necessitated us putting in place wide ranging precautions for the health and safety of our staff. Our clinical colleagues were required to wear full PPE on all missions, which involved a complicated system of donning and doffing, requiring a third member of the team to be present on each shift to facilitate this. At the peak of the first wave, all the HIOWAA doctors were recalled to their respective hospitals. Many of the HIOWAA paramedics took on extra shifts working in the Emergency Dept. at University Hospital Southampton. During this time, our crews were able to collaborate with both the RAF and the Coastguard in order to transfer Covid positive patients from areas such as the Isle of Wight and the Channel Islands. Throughout the pandemic, the Airbase at Thruxton has been a red zone, and off limits to guests and visitors. The two parts of HIOWAA, clinical and charity, are used to being able to work together, and this enforced distance has been very difficult.

The Charity Head Office was closed at the first lockdown in March 2020, and many of our colleagues were placed on furlough leave as they were unable to do their jobs when fundraising and volunteering activities were on hold. Whilst it undoubtedly saved many jobs, the isolation from colleagues which furlough created was difficult for many who are used to a vibrant working environment. Sadly, and for the first time in the Charity's history, we were forced to make some redundancies of members of staff whose roles were unlikely to be viable after the pandemic. These and other stresses encountered during this time may have an effect on mental health and wellbeing for our colleagues and is something the Senior Management Team is watching closely.

In the midst of these many challenges, the lease on our Head Office came to an end, and we were required to relocate. This is never an easy exercise, and the pandemic created unforeseen difficulties to overcome. Happily, the perfect home for the Charity was identified and, with some heroic effort and ingenuity from the Charity team, we were able to relocate towards the end of 2020.

Fundraising, as mentioned, has been badly hit during this time, and it is only through the enormous efforts of the fundraising team that income remained buoyant, although down on predicted. It is also due to many years of exemplary financial management of the Charity that HIOWAA has reserves to draw upon, ensuring that we can always bring exceptional critical care to the people of Hampshire and the Isle of Wight, even during a national crisis.

Work on strategic planning has remained on hold whilst the team concentrated on providing the service through the pandemic, and maintaining team morale. This is an area which the Board will be concentrating on when we are through the crisis.

In closing, I commend this Annual Report to you, and I sincerely thank my fellow Trustees who have, again, given freely both of their time and their diverse and considerable expertise to help HIOWAA continue safely on its ambitious and important development path.

Sir John Day – Chairman of Trustees



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Trustees Report

Charitable Mission and History

Formed in 2005, operational in July 2007, and continually evolving in order to meet the emerging needs of patients, the Charity's Objects, as contained within its Articles of Association (amended in 2018) are:

The relief of sickness and injury and the protection of human life for the benefit of the population of and visitors to the counties of Hampshire and the Isle of Wight and surrounding areas, by the provision and support of:

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

Underpinned by the Charity's Values of: **Openness, Dedication, Professionalism and Teamwork**, HIOWAA's Mission is:

To ensure that, through your support, we always bring exceptional Critical Care to people in Hampshire and the Isle of Wight.

Pivotal to the delivery of our mission are our key partners:

- Babcock Mission Critical Services (Onshore) (BMCS), who provide every aspect of our aviation capability.
- University Hospital Southampton (UHS), who host the Helicopter Emergency Medical Services (HEMS) Care Group within Division B. From 1/11/2018, this group took full operational and clinical responsibility for the provision of HEMS and Air Ambulance Services, and they hold the contracts of employment (permanent/bank/honorary) for all clinical and dispatch staff.
- South Central Ambulance Services (SCAS) who continue to provide access to the Emergency Operations Centres, from where HIOWAA assets are dispatched.
- Thames Valley Air Ambulance (TVAA), with whom we collaborate on many operational aspects across the SCAS region. This includes the provision of extended hours cover across Hampshire, the Isle of Wight, Berkshire, Buckinghamshire and Oxfordshire.
- Through SCAS, we cooperate closely with the Isle of Wight Ambulance Service in order to provide the very necessary and unique support, vital to people on the Island.

Activities and Achievements

Having regard to the Charity Commission guidance on Public Benefit reporting, Trustees offer the following summary of achievements across the charity's scope of operations.

Operational

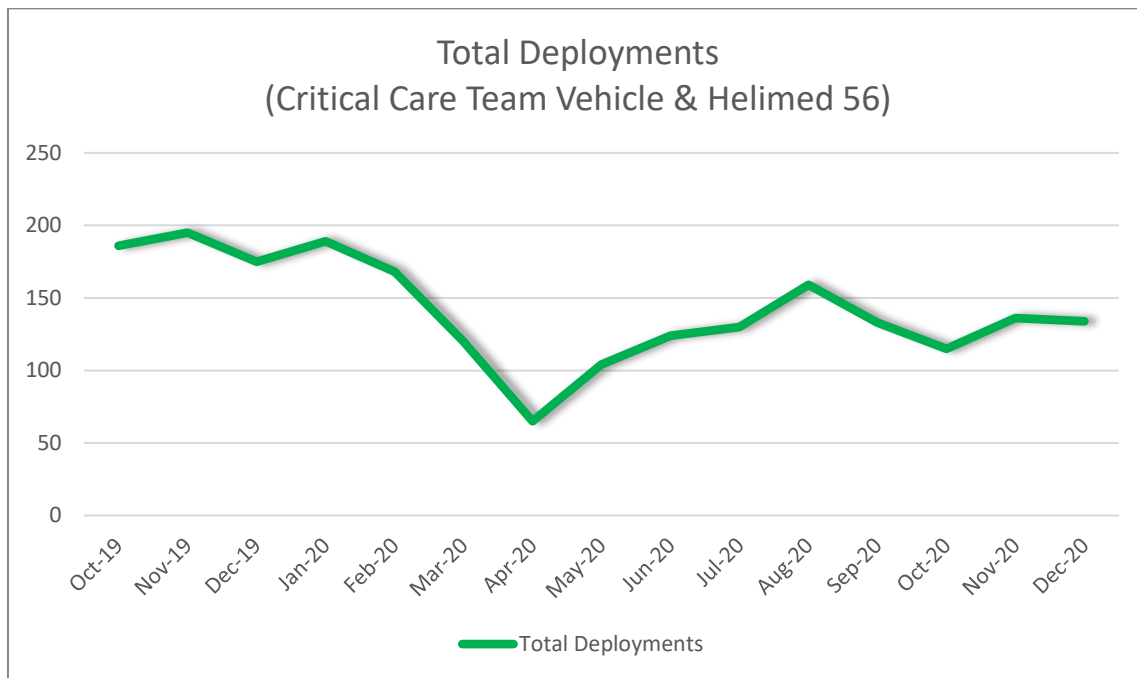
Overview.

It will come as no surprise that activity for the year is a story of disruption. The activity profile for Quarter 1 was largely in line with expectations from previous years. However, from April activity dropped off significantly as the nation entered Wave 1 of the pandemic and the 1st national lock down. During this phase HIOWAA doctors were recalled to their respective hospitals. HIOWAA paramedics took shifts in the Emergency Dept. at University Hospital Southampton. HIOWAA crews were able to collaborate with both the RAF and the Coastguard in order to transfer Covid positive patients from the Isle of Wight, and the Channel Islands. Although activity did begin to recover slightly overall through late spring and into early summer the 2nd lockdown in the autumn did have a dampening effect as demonstrated by the table below.

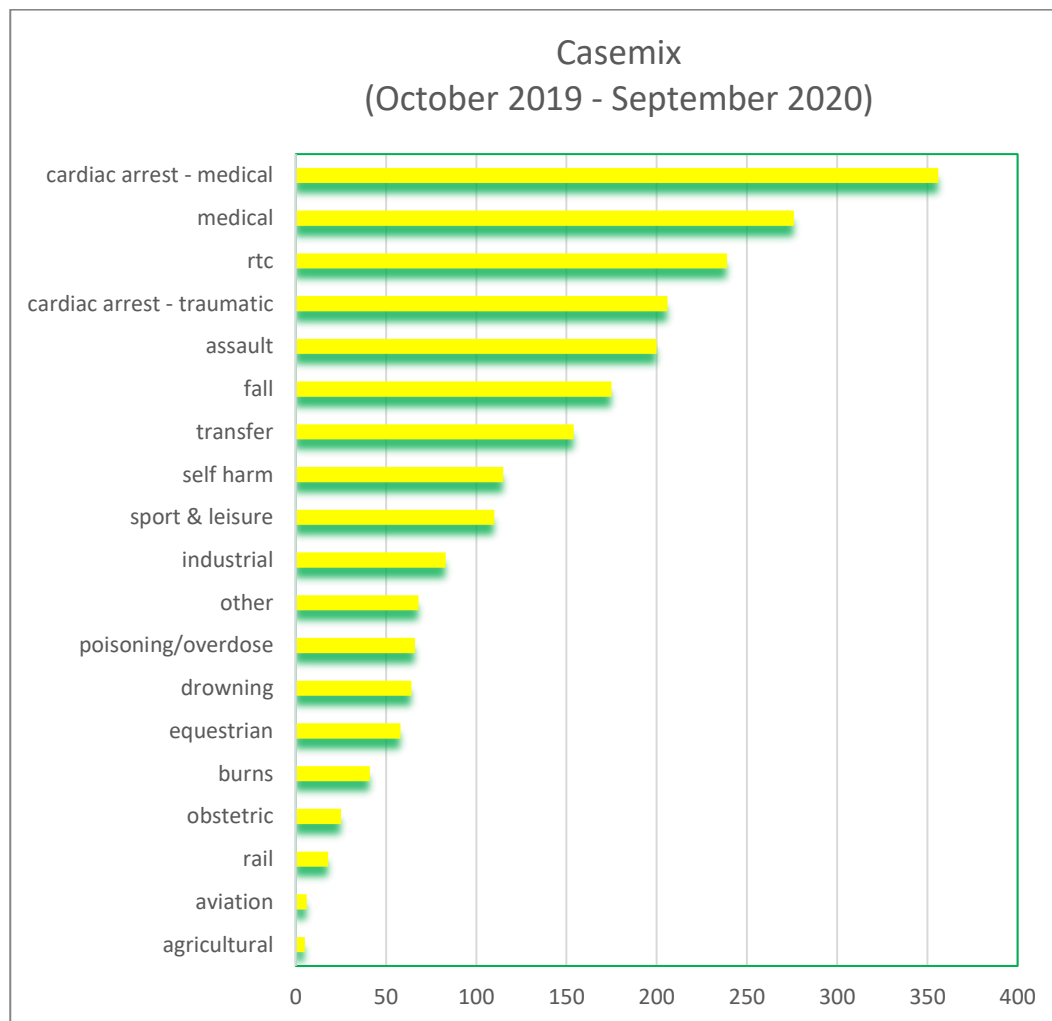


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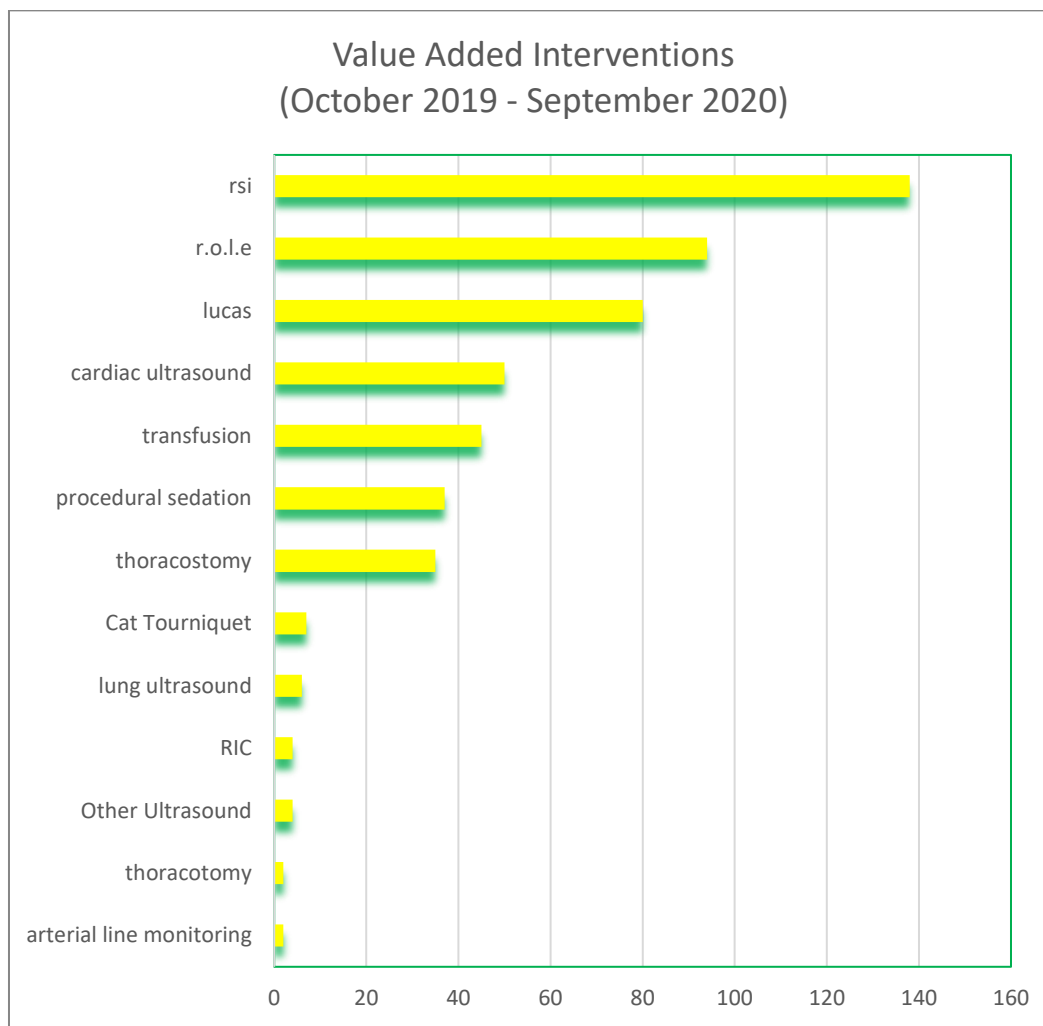
Casemix & Interventions





HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

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Crewing

This report details the crewing achieved in 2019/20. The optimal crewing model for Desk Coverage is Paramedic (Para) + Dispatch Assistant (DA); the optimal for Asset Coverage is Doctor (Doc) + Paramedic. Due to the contractual arrangements between our aviation provider and Thames Valley Air Ambulance we operate a 2-week on/2-week off rotation of aircraft availability for the Late shift. On the 2-weeks with no aircraft the Care Group endeavours to provide Late Car coverage instead so that a critical care team is available to Hampshire independent of Thames Valley Air Ambulance. Due to the COVID-19 pandemic adjustments were made to the operating and crewing models in order to maintain service delivery and mitigate risk. This included the removal of the Car Day asset from 13th April 2020 and adjustment to shift times and crewing model from 6th July 2020. Additionally, the Care Group supported UHS Emergency Department during the first wave of the pandemic by rostering paramedics, where operationally available, into UHS Emergency Department (ED). This was stopped on 6th July 2020 in consultation with UHS ED as our support was no longer required. Overall, there has been improvement in optimisation across areas, particularly on the Late Helicopter & Car shifts. The percentages in the following tables are rounded to the nearest integer.



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		Q1			Q2			Q3			Q4			Q1	Q2	Q3	Q4
		Q1			Q2			Q3			Q4			Average	Average	Average	Average
		Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20				
Desk Coverage	Para + DA	84%	100%	87%	94%	93%	87%	100%	97%	97%	97%	87%	97%	90%	91%	98%	94%
	Para Only	3%	0%	6%	6%	7%	6%	0%	0%	0%	0%	10%	3%	3%	6%	0%	4%
	DA Only	13%	0%	6%	0%	0%	6%	0%	3%	3%	0%	3%	0%	6%	2%	2%	1%
	DA + DA	0%	0%	0%	0%	0%	0%	0%	0%	0%	3%	0%	0%	0%	0%	0%	1%
Desk Late	Para + DA	62%	86%	84%	90%	72%	94%	62%	45%	90%	94%	87%	90%	77%	85%	66%	90%
	Para Only	0%	7%	0%	10%	10%	0%	7%	3%	3%	0%	6%	10%	2%	7%	4%	5%
	DA Only	38%	7%	16%	0%	17%	6%	31%	48%	3%	0%	3%	0%	20%	8%	27%	1%
	DA + DA	0%	0%	0%	0%	0%	0%	0%	3%	3%	6%	3%	0%	0%	0%	2%	3%

		Q1			Q2			Q3			Q4			Q1	Q2	Q3	Q4
		Q1			Q2			Q3			Q4			Average	Average	Average	Average
		Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20				
Asset Coverage	Heli Day/LD	45%	83%	84%	100%	97%	100%	97%	100%	100%	100%	100%	100%	71%	99%	99%	100%
	Para Only Crew	55%	17%	16%	0%	3%	0%	3%	0%	0%	0%	0%	0%	29%	1%	1%	0%
	Doc + Para Crew	23%	55%	63%	76%	74%	57%	0%						47%	69%	0%	
	Para Only Crew	77%	45%	37%	24%	26%	43%	100%						53%	31%	100%	
Heli Late	Doc + Para Crew	14%	36%	14%	57%	64%	75%	81%	94%	94%	94%	94%	100%	21%	65%	90%	96%
	Para Only Crew	86%	64%	86%	43%	36%	25%	19%	6%	6%	6%	6%	0%	79%	35%	10%	4%
	Doc + Para Crew	0%	0%	0%	0%	0%	0%	15%	79%	93%	100%	79%	100%	0%	0%	62%	93%
	Para Only Crew	100%	100%	100%	100%	100%	100%	85%	21%	7%	0%	21%	0%	100%	100%	38%	7%

		Q1			Q2			Q3			Q4			Q1	Q2	Q3	Q4
		Q1			Q2			Q3			Q4			Average	Average	Average	Average
		Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20				
UHS	ED							77%	84%	53%	20%					71%	20%
	>= 1 Paramedic																



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Fundraising

Fundraising Approach

Hampshire and Isle of Wight Air Ambulance receives no Government or National Lottery funding for routine operations, and it is only thanks to the generosity of the communities that we serve that we are able to keep the Air Ambulance flying and saving lives. Our income profile is broad and is designed to deeply engage with individuals and groups. We employ a salaried, professional fundraising team, who do not earn a bonus, to manage our income streams and ensure that we meet statutory obligations to the Charity Commission and Fundraising Regulator.

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

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

The Charity is a member of the Chartered Institute of Fundraising, the Fundraising Regulator, and holds a society lottery license with the Gambling Commission alongside LFS. The Charity maintains strong governance practices having achieved ISO27001 and remains compliant with the associated organisational codes of practice.

Any complaints that our fundraising activities may generate are recorded and investigated by the Charity Operations team, reviewed by the relevant line manager, or referred to our third-party operator where appropriate. The Charity take any opportunities to improve supporter care very seriously. Our fundraising activities generate very few complaints each year with fewer than 10 received in 2019/2020; none required escalation beyond the charity.

Overview. In a year that saw fundraising relentlessly challenged by the pandemic through a lack of opportunity to meet supporters, cancelled events and no in person canvassing facilities, our digital communication channels have been vital. The charity's Marketing and Communications Team have met this challenge with customary enthusiasm, the result being significant growth in social media follower numbers and engagement. HIOWAA accrued an additional 5,141 social media followers, an average increase of 20% across the three core platforms of Facebook, Twitter and Instagram.

Indeed, much of the 5 year fundraising strategy that was launched in 2019 came under immense pressure over the past 12 months, but as with any good strategy, HIOWAA's has intentionally been built on a stable foundation; focus placed on visible income sources generated through our society lottery and committed giving campaign. The size of each donor base together with low attrition rates, meant that the Charity retained a solid income source throughout the financial year. This, together with enhancements to the charity's website functionality and design, alongside successful digital focussed fundraising campaigns, resulted in a doubling in the value of transactions made through the Charity's website; 52,249 visitors who between them viewed 173,308 pages of content. Additionally, we created our own in-house event registration platform, offering supporters an improved and bespoke experience when signing up for fundraising events

This ability to remain agile in an unpredictable environment is testimony to the resilience and creativity of the Marketing and Fundraising teams; maintaining a strong, collaborative approach to work along with the capacity to accept expeditious change. The teams placed emphasis on maintaining brand relevance and profile, and sought opportunities to engage with local press and media outlets, who despite facing challenges of their own, remained engaged and supportive of HIOWAA. Articles that concentrated on our collaboration with the RAF and the Coast Guard, the charity reaching the milestone of 9,000 flights and our Dash in the Dark fundraising event were well received. Remarkably, the charity achieved media coverage equivalent to £1.2 million in advertising spend.

Essential relationships. Of equal importance to all the other functions in the Charity, are our extraordinary team of volunteers; dedicated, enthusiastic and determined to make a difference. This past year has been exceptionally hard for them, as there have been very limited opportunities for outreach and community engagement. Yet, their unrelenting support for HIOWAA is inspiring, by remaining committed to helping the Charity to achieve a significant presence in our communities when we are able to return to normal Charity operations. Although small reward for their tireless efforts, the Trustees wish to record their profound gratitude for this lively, dedicated and very hard-working



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cohort of wonderful people.

Fundraising highlights from the past year:

Committed Giving and Society Lottery

Committed giving and our society lottery have allowed us to plan for the future because we know, day in day out, what each income stream would deliver. This year, donations received through our Small Change Big Difference Campaign and our Flight for Life lottery provided the stable income we needed throughout the pandemic. A very large volume of small but impactful donations have been a game changer; 10,580 regular gifts of £8 per month and 77,354 lottery gifts of £4.32 per month collectively had an enormous effect on sustaining our service and helping us save more lives. Additionally, 80% of all our committed giving supporters are gift aid eligible which exponentially increase our incoming resources too.

Virtual Dash in the Dark

While live mass events and challenges were not possible to run this year, the creative genius of the HIOWAA team blended with the indomitable spirit of our remarkable supporters, led to our first Virtual Dash in the Dark event in September. 213 incredible people dressed up in neon colours to glow in the dark for HIOWAA and complete a 5km run while fundraising for the Charity. Their steps made a huge impact, generating £7,001. Importantly, the photos that they shared with us demonstrated that doing something exceptional to help others has an extraordinary effect on how we all feel. The virtual atmosphere was electric!

Corporate Partnerships

The impact of strong fundraising partnerships was amplified this year; reassurance in knowing that we didn't have to face the exceptional circumstances of the pandemic alone. The Phoenix Group have demonstrated the quintessence of what a supportive relationship is through their encouragement, understanding and commitment to the Charity over the past 18 months. Their belief in us was underpinned by the Lifecast manikin they purchased to support clinical education, financial support for operations shown through the £50,000 gift delivered in the summer, along with employee driven fundraising, match funded by Phoenix, including payroll giving, Ride London, team building days and themed fundraising initiatives.

Financial Review

Overview. In an unprecedented year of challenges caused by the pandemic, the Charity's financial performance was tested across many areas. Coupled with a reduction in original forecasted income for the year, our investment portfolio was significantly affected by the volatility in markets but subsequently regained most of its initial loss. Our expenditure was largely unaffected and some savings against original budget were achieved across the charitable and fundraising areas. Notwithstanding this, a particularly strong performance has come from Donations, and Trustees believe this reflects the local strength of the HIOWAA brand and the high regard in which the Charity is held. Conscious of the wider uncertainty, Trustees remain vigilant and alert for any further disruption across all areas of activity in the coming months.

Financial performance highlights for the year:

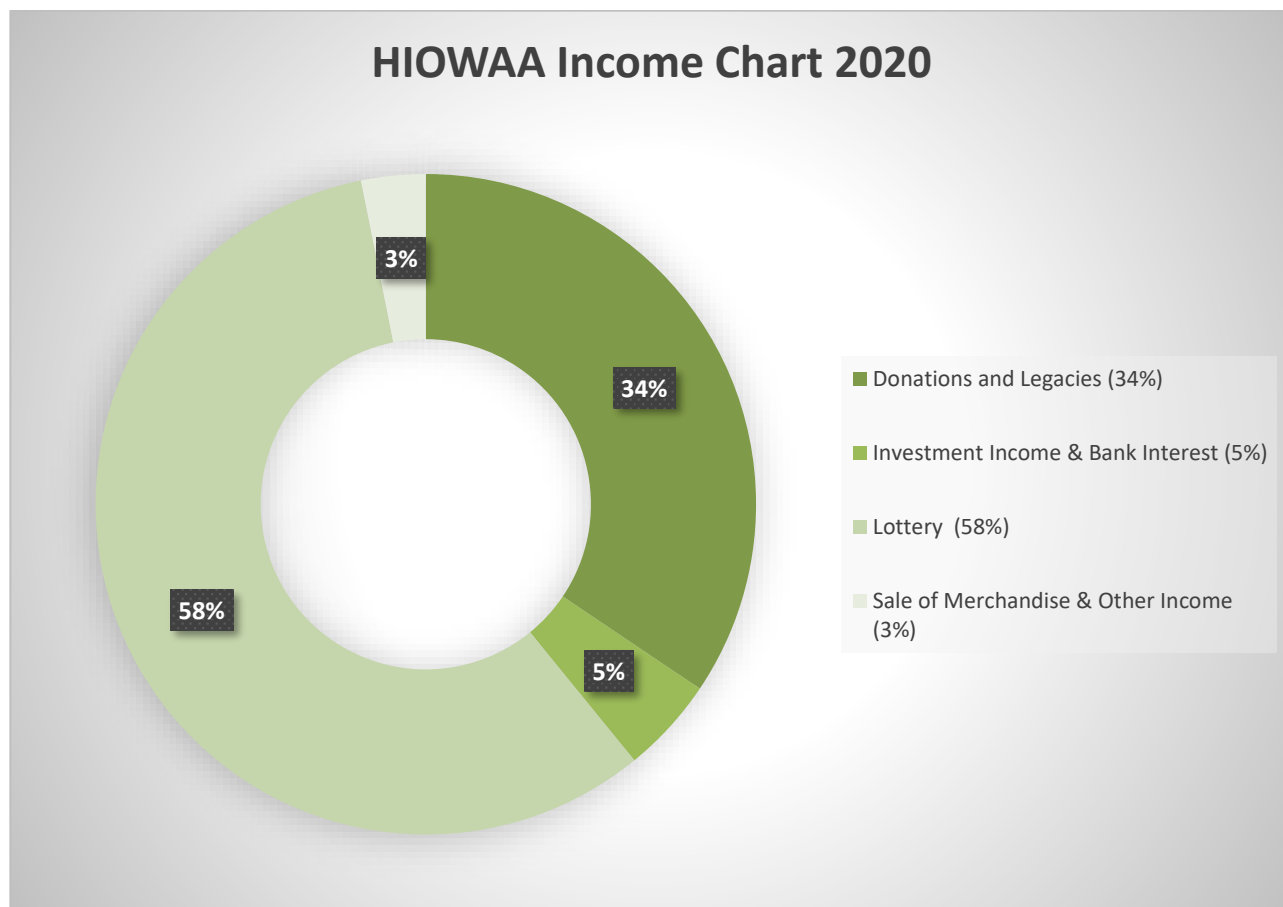
- Income. Total income of £7,515k was up 1% on FY18/19 attributable mainly to the one off COVID-19 restricted government grant of £140k, distributed via the Air Ambulances UK (AAUK).
- Lottery and Direct Giving. The HIOWAA 'Flight for Life' lottery remained a major income stream for the charity achieving 58% of the overall income. The third year of our Direct Giving campaign, 'Small Change Big Difference' (SCBD) made an excellent progress, achieving growth of £438k on FY 18/19 and already representing 13% (2019: 7%) of the charity's total income.
- Individual Support. Trustees wish to record sincere gratitude to the 61,753 people who support our Flight for Life lottery and the 10,580 members of our Small Change Big Difference direct giving programme. These regular donations provide us with with a steady income; one on which we can rely, and which allows us to plan – and deliver - developments to our service. Additionally, we are hugely appreciative of the myriad of supporters who raise funds for the Charity through imaginative and inspired action.



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- **Expenditure.** Total expenditure of £7,764k was up by 3% on FY18/19. The increase is consistent with the expected forecast associated with increased operational costs and fundraising costs relating to the promotion of the direct giving campaign (SCBD). Support and Governance costs reduced by £30k during the year compared to FY 18/19 and remained at 12% of overall costs.
- The pie charts below offer a pictorial interpretation of how the charity's income and expenditure breaks down by category.

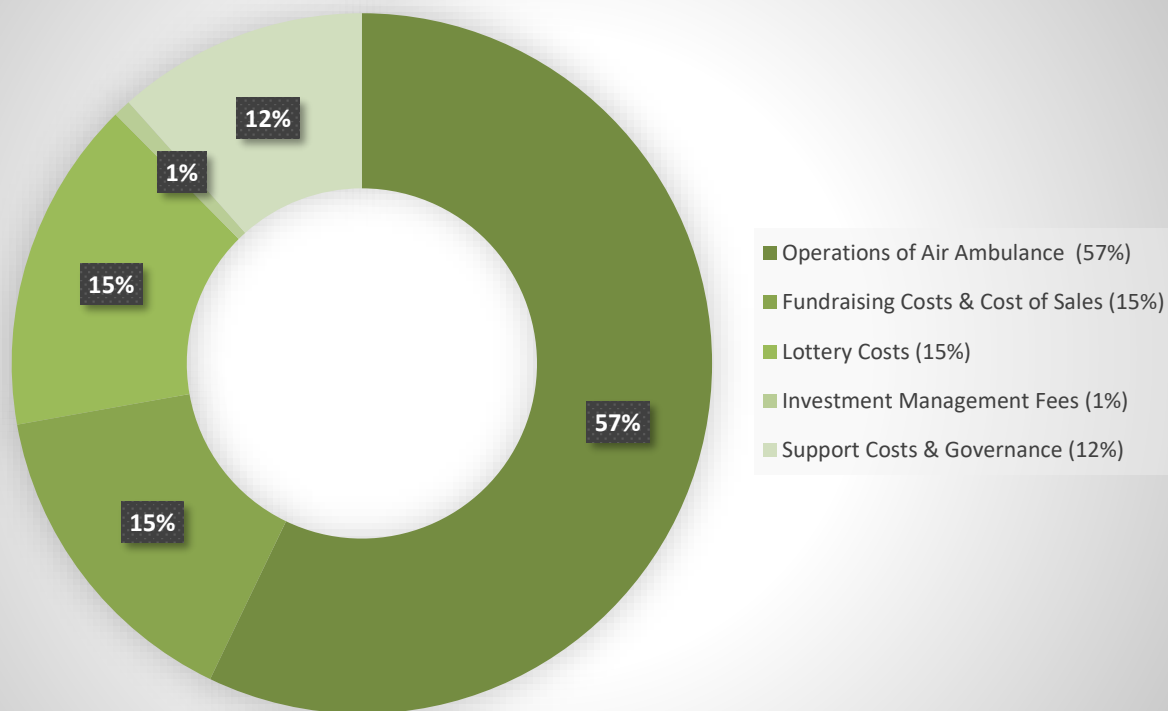




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HLOWAA Expenditure Chart 2020



Investments Policy

Rathbones and Brewin Dolphin continue as HLOWAA's appointed Investment Managers. The investment objective for both investment managers continues to be to preserve the value of the funds under management in real terms, balancing risk against return. Trustees continue to review the performance of the Charity's investments regularly, both on an ad-hoc basis (via email and telephone) and with formal performance reviews between the managers and the Finance and Investment Sub-Committee, scheduled on a half yearly basis.

Reserves Policy

The unrestricted reserves as at 30/09/2020 amounted to £16,567k, or just over 3 years of estimated operational costs and 2 years of overall expenditure. The Charity's current 5 year forecast confirms that, on the basis of predicted income and expenditure which allow for the perceived short-term risks to charitable income, our reserves are adequate and provide sustainability of operations. The majority of our reserves are held in investments or on close call.

Future Plans

The past year has presented a plethora of challenges for the Nation to unravel and at a local level, a multitude of complexities for Charity to contend with. Whilst the future plans of the Charity, as imagined in 2019/20 were focused on developing the Charity and Clinical strategies, much of this work has been paused. This was to accommodate rapid changes to our environment and create capacity to respond to the organisational impact of the pandemic. Considering that it will be some time until the UK fully emerges from the social restrictions that abound, emphasis for the forthcoming year will be placed on three priorities;

1. Financial strength as fundraising is revitalised post the national lockdown.
2. Reviewing the Charity's operational resourcing to ensure all business practices are effectively underpinned to support future growth.



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3. Working with our Charity partners to determine the emerging themes of future strategy; acknowledging that what was conceptualised prior to the pandemic will have evolved over the past 12 months.

Of specific note, the current contract for aviation services delivered by BMCS will expire in 2022. Parameters of the new airframe contract will be contingent on emerging clinical requirements that, as ever, are patient focused; to save more lives across Hampshire and the Isle of Wight through rapid response and innovative critical care.

Additionally, as the new Charity offices offer adaptable forward basing facilities for the clinical team along with comfortable conferencing amenities, consideration will be given to how to maximise usage of both areas to better support clinical services.

Enabling and Sustaining Future Plans

Sustained efforts to diversify our income portfolio continue to progress with the concentration risk associated with our society lottery reducing from 60% in FY 18/19 to 58% in FY 19/20. This has been achieved primarily by growth in our committed giving line that at year end had 10,580 members, 80% of whom are gift aid eligible. During the first national lockdown, attrition rates for the lottery and committed giving reduced significantly; lottery 0.30% in 2019 vs 0.19% 2020 and committed giving 0.77% 2019 vs 0.41% 2020.

Part of this improvement has been attributed the extraordinary swell of social capital that was felt in the past year, but also due to the considerable efforts of the HIOWAA marketing and communications team; focus placed on our donor journey and affirming the enduring relevance of the Charity in our region. Whilst it is expected that attrition will inevitably increase to a degree, the donor journey will remain in the spotlight, aiming to draw supporters attention towards the critical need for the service, along with demonstrating the impact that their donation is making. Market research and data analytics will contribute to our understanding of supporter behaviour; a high priority is knowing our audience and testing how our communications are received is key to sustainable income and growth.

Moreover, Trust and Foundation gifts remain exceptionally important to the Charity collectively contributing more than £250k per annum to fund operations. The abiding support of Trusts and Foundations is vital, especially as we start to consider our future plans and realise our clinical ambitions. Of note from last year was the DCMS grant of £140k towards CoVid operational related expenditure, arriving at a time when many of our normal fundraising practices had been paused.

Notably, resilience and sustainability are key themes within our future fundraising strategy and are the drivers for a focus on mid-term income. Accordingly, HIOWAA will be re-entering the textile recycling market in 2021, in partnership with Recycling Solutions. The recycling landscape has changed considerably since the Charity last fundraised through recycling in 2015, but buoyant markets are available in Africa, Asia and Eastern Europe and a steady price per tonne of goods is being returned to charities.

Additionally, investment into legacy fundraising is a priority, with returns on investment being realised in 2-10 years. Partnerships with Remember a Charity, Farewill and the Goodwill Partnership have been formed; appreciating that if we are asking people to support us, we need to provide a Will writing solution too. This endeavour is being supported by a newly formed Legacy Fundraiser role, who will focus on the stewardship of pledgers, the promotion of Will writing services, and where appropriate, engagement with families who's loved ones have left HIOWAA a legacy gift.

Finally, whilst working to secure and diversify income, attention will remain on the management of costs, along with auditing our processes and practices to understand how we can work smarter. Importantly, Trustees remain confident that HIOWAA is well placed to recover quickly from the national lockdown and able to manage the impact that the pandemic has had on fundraising.

In closing, Trustees wish to record again their sincere gratitude for the incredible generosity of people of Hampshire and the Isle of Wight, without whose ongoing support, none of the service we provide would be possible.



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Administration, Governance and Structure

Trustees and Directors

Sir John Day KCB OBE RAF(ret'd)	Chairman
Rachel Peppiatt	Vice Chair (resigned in June 2020)
Liz Brown	
Andrew Cheesewright FCA	
David Drew	
Dr Andy Eynon BSc(Hons) MBBS(Hons)	
Lisa Gagliani MBE	
Graham Hill FRCS (Tr&Orth)	
Jonathan Moseley	
Gwen Moulster OBE	
Peter C Taylor JP, FCA, FRSA	Treasurer

Company Secretary & Acting Chief Executive

Sherie Williams Ellen

Chief Executive

Alex Lochrane (resigned in February 2021)

Auditors

Nexia Smith & Williamson, 15-17 Cumberland Place Southampton Hampshire SO15 2BG

Bankers

Handelsbanken, Oceana House, 39-49 Commercial Road, Southampton, SO15 1GA
Lloyds TSB Plc, 49 High Street, Winchester, SO23 9BU
CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
NatWest, 25 West Street, Poole, Dorset, BH15 1LD
CCLA Investment Management Ltd, 80 Cheapside, London, EC2V 6DZ

Investment Managers

Rathbone Brothers Plc, 32 Southgate Street, Winchester, SO23 9EH
Brewin Dolphin, 12 Smithfield Street, London EC1A 9BD

Registered Office

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

Registered Numbers

5244460 Companies House
1106234 Charity Commission



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Governance

Public Benefit and Openness

Having full regard to Charity Commission guidance on Public Benefit, Trustees remain confident that, through the provision of an Air Ambulance Service, for the advancement of health and the saving of life, which is freely available to the general public in Hampshire and the Isle of Wight, the Charity meets all the provisions necessary.

ISO27001 accreditation has been revalidated with a very successful external audit and compliance with the Data Protection Act 2018 remains good; the culture within the Charity continues to support a very positive attitude by all staff to ensure that HIOWAA and our agents look after properly the data we gather. Further to last year's report there have been no incidents in the Financial Year that required reports to the Charity Commission or ICO.

Structure

Registered on 8/10/2004, full details of the Charity are available online at both the Charity Commission and Companies House websites, but the following is a high level synopsis:

- Incorporated as a Company Limited by Guarantee (Co Reg no 05244460) under Articles of Association updated on 20th February 2018 (Trustees are Directors and Members of the Charitable Co with liability of £10).
- Trustees are recruited by the Board against required skill sets and all receive appropriate induction and training. Regular, wider training and development opportunities are also offered.
- The Board of Trustees must consist of at least three individuals and will not normally exceed 12.

Trustees serve an initial term of three years, after which they may offer themselves for re-election; a Trustee will not normally serve for longer than nine years. Formal Trustee full Board meetings occur quarterly in order to achieve routine governance business and additionally, as required, for special purpose briefings. The Board has five sub-committees, chaired by a Trustee, covering operations, finance and Investment, marketing and fundraising, governance, and remuneration, with delegated authority to look in greater depth at those areas. The minutes of these sub-committees form part of Board papers. Trustees also remain in regular contact with the Senior Management Team (SMT) as required to offer advice and support.

Strategic direction of the Charity is determined by the Trustees, through their 5 year strategy and financial plan, which the Chief Executive and SMT are then authorised to deliver in addition to managing the day-to-day business of the Charity and its fundraising activities. In addition, to coordinate operational activity and enhance external cooperation, the Chief Executive meets regularly with UHS, SCAS, Babcock and TVAA. Externally, the Charity is a member of the Air Ambulances UK, the representative body for Air Ambulance charities in the UK that not only acts as a single voice for the AA community with central government, but who also receives and distributes donations made to air ambulances nationally.

Pay Policy for Staff

The pay of all staff is reviewed annually by the remunerations sub-committee who will normally, subject to individual staff's satisfactory annual appraisal, recommend that the Board approves annual increases in line with average earnings. Specifically, the salary of the SMT is externally benchmarked and individual recommendations made to the Board by the Remunerations sub-committee and CEO. The salary of the CEO is reviewed separately, subject to satisfactory annual appraisal by the Chairman and Treasurer. In accordance with the revised FRS102, further detail on senior staff pay is contained in the notes to the financial statements (note 9).

Risk

On behalf of Trustees, the Chief Executive maintains a comprehensive Risk Register, broken down into five key areas (Governance and Compliance; Operations; Income Generation; Finance; People) and designed to assess risks that may impact on the Charity achieving its agreed objectives. Whilst some areas of operational and clinical risk are transferred to our key partners, Trustees review quarterly the top 5 risks that could impact on both the delivery and resilience of our life-saving service as well as the strong reputation of the Charity. The detailed review of individual risks is delegated to the respective sub-committee, with the Chief Executive maintaining accountability for People.



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

Our gratitude

In closing and, as in previous years, the Trustees wish to reaffirm that the Air Ambulance is only flying due to the generosity and very broad support that the Charity receives right across the people and communities of Hampshire and the Isle of Wight. Accordingly, Trustees wish to record their sincere gratitude for this wide-ranging and vital generosity.

Trustees' Responsibilities for Financial Statements

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

Auditors

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

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

This report was approved by the Trustees on 27/04/2021 and is signed on their behalf by:


John Day (Apr 27, 2021 10:28 GMT+1)

Sir John Day
Chairman



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

Independent Auditors' Report



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Opinion

We have audited the financial statements of Hampshire and Isle of Wight Air Ambulance (the 'charitable company') for the year ended 30 September 2020 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Nexia Smith & Williamson (Apr 27, 2021 10:38 GMT+1)

Julie Mutton
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Cumberland House
15-17 Cumberland Place
Southampton
Hampshire
SO15 2BG

Date: 27/04/2021



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and legacies	2	2,578,338	8,761	2,587,099	2,521,627
Other trading activities	3	4,365,324	-	4,365,324	4,482,839
Investments	4	352,858	-	352,858	370,615
Other – Government Grants		69,548	140,000	209,548	
Total		7,366,068	148,761	7,514,829	7,375,081
Expenditure on:					
Raising funds	5	3,075,329	10,290	3,085,619	3,048,724
Charitable activities	6	4,537,236	140,851	4,678,087	4,518,326
Total		7,612,565	151,141	7,763,706	7,567,050
		(246,497)	(2,380)	(248,877)	(191,969)
Net (loss) / gains on investments	11	(316,570)	-	(316,570)	498,605
Net (loss) / income		(563,067)	(2,380)	(565,447)	306,636
Transfers between funds		1,350	(1,350)	-	-
Net movement in funds		(561,717)	(3,730)	(565,447)	306,636
Funds at 1 October 2019		17,128,245	9,161	17,137,406	16,830,770
Funds at 30 September 2020		16,566,528	5,431	16,571,959	17,137,406

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

All amounts relate to continuing activities.

The notes on pages 21 to 30 form part of these financial statements.



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

BALANCE SHEET AT 30 SEPTEMBER 2020

Company number 05244460	Note	Total 2020 £	Total 2019 £
Fixed assets			
Tangible assets	10	537,007	588,347
Investments	11	13,108,637	13,156,640
		<hr/>	<hr/>
		13,645,644	13,744,987
		<hr/>	<hr/>
Current assets			
Stocks		28,760	26,547
Debtors	12	621,182	837,107
Cash at bank and in hand		4,374,847	4,448,087
		<hr/>	<hr/>
		5,024,789	5,311,741
Liabilities			
Creditors: Amounts falling due within one year	13	(2,078,474)	(1,919,322)
Provisions for liabilities	14	(20,000)	-
		<hr/>	<hr/>
		(2,098,474)	(1,919,322)
		<hr/>	<hr/>
Net current assets		2,926,315	3,392,419
		<hr/>	<hr/>
Total assets less current liabilities		16,571,959	17,137,406
		<hr/>	<hr/>
Net assets		16,571,959	17,137,406
		<hr/>	<hr/>
Funds			
Restricted income funds	19	5,431	9,161
Unrestricted funds	18	16,566,528	17,128,245
		<hr/>	<hr/>
Total funds		16,571,959	17,137,406
		<hr/>	<hr/>

Approved by the Trustees and authorised for issue on 27/04/2021
and signed on their behalf by:

John Day
John Day (Apr 27, 2021 10:28 GMT+1)

Sir John Day
Chairman

P C Taylor
P C Taylor (Apr 27, 2021 10:35 GMT+1)

Peter Taylor JP FCA FRSA
Treasurer

The notes on pages 21 to 30 form part of these financial statements.



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Report and financial statements for the year ended 30 September 2020

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Total 2020 £	Total 2019 £
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities	72,045	(220,856)
Cash flows from investing activities		
Purchase of property, plant and equipment	(166,567)	(202,332)
Withdrawal of investments	12,667	-
Interest received	8,615	10,772
Net cash (used in) investment activities	(145,285)	(191,560)
Change in cash and cash equivalents in the financial year	(73,240)	(412,416)
Cash and cash equivalents at the beginning of the year	4,448,087	4,860,503
Cash and cash equivalents at the end of the year	4,374,847	4,448,087
Reconciliation of net income to net cash flow from operating activities		
	2020 £	2019 £
Net (loss) / income for the year	(565,447)	306,636
Adjustment for:		
Losses / (Gains) on investments	316,570	(498,605)
Investment income	(344,243)	(359,843)
Investment costs	63,009	64,113
Depreciation charges	193,238	175,544
Loss on disposal of fixed asset	24,669	-
(Increase) / decrease in stock	(2,213)	9,690
Decrease / (increase) in debtors	215,925	(281,164)
Increase in creditors	179,152	373,545
Interest received	(8,615)	(10,772)
Net cash provided by / (used in) operating activities	72,045	(220,856)
Analysis of changes in net debt would replicate the information provided above and is therefore not disclosed.		



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020

1 Accounting policies

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

The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

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

a) Accounting Convention

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

b) Income

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

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

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

c) Expenditure

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

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

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

d) Tangible fixed assets and depreciation

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

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

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



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

Accounting policies (continued)

- e) **Leased assets**
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.
- f) **Investments**
Investments are included in the balance sheet at market value.
- g) **Funds**
Unrestricted general funds can be used in accordance with the charitable objects of the organisation at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are given for particular restricted purposes.
- h) **Presentation currency**
The functional currency of the charity is in pounds sterling and the financial statements are also presented in pounds sterling.
- i) **Provisions**
Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation.
- j) **Going Concern**
The Charity's primary sources of income are donations, legacies, lottery and investment income. In the year to 30 September 2020 this has been aided by government grants and the government backed job retention scheme. After careful consideration of the Charity's current financial position, with due attention paid to the ongoing COVID-19 pandemic, the Trustees are confident that the Charity has adequate resources to continue in operation for the foreseeable future which is at least 12 months from the date of approval of these financial statements. Accordingly they continue to adopt the going concern basis in preparing the accounts.

Judgements in applying accounting policies and key sources of estimation.

Estimates and judgements are evaluated at each reporting date and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future in preparing the financial statements and the actual results will not always reflect the accounting estimates made.

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

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

Where these measurement criteria have not been met, consideration is made to determine whether the legacies meet the definition of a contingent asset. At the year end the estimated cash value of contingent assets is £Nil (prior year £61,000).



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

2 Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations	2,315,915	8,761	2,324,676	1,996,354
Legacies	262,423	-	262,423	525,273
	<u>2,578,338</u>	<u>8,761</u>	<u>2,587,099</u>	<u>2,521,627</u>

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

3 Income from other trading activities

	Unrestricted funds 2020 £	Total 2020 £	Total 2019 £
Lottery income	4,338,009	4,338,009	4,423,102
Other income	21,383	21,383	41,640
Sale of merchandise	5,932	5,932	18,097
	<u>4,365,324</u>	<u>4,364,324</u>	<u>4,482,839</u>

4 Income from investments

	Unrestricted funds 2020 £	Total 2020 £	Total 2019 £
Investment income	344,243	344,243	359,843
Bank interest	8,615	8,615	10,772
	<u>352,858</u>	<u>352,858</u>	<u>370,615</u>



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

5 Expenditure on raising funds	2020	2019
	£	£
Fundraising costs and cost of sales	810,629	746,117
Fundraising staff costs	359,546	327,279
Allocated support costs (note 7)	658,224	675,910
Lottery prizes and expenses	1,194,211	1,235,305
Investment management costs	63,009	64,113
	3,085,619	3,048,724

Expenditure on raising funds was £3,085,619 (2019: £3,048,724) of which £3,075,329 (2019: £3,043,724) was unrestricted and £10,290 (2019: £5,000) was restricted.

6 Expenditure on charitable activities

	2020	2019
	£	£
Operation of air ambulance	4,360,717	4,138,157
Operation staff costs	33,492	125,931
Allocated support costs (note 7)	242,664	254,238
Grants to Institutions	16,545	-
Loss on disposal of fixed asset	24,669	-
	4,678,087	4,518,326

Expenditure on charitable activities was £4,678,087 (2019: £4,518,326) of which £4,537,236 (2019: £4,518,488) was unrestricted and £140,851 (2019: £2,838) was restricted.

7 Analysis of expenditure on Support costs

	2020	2019
	£	£
Administrative salaries and social security	567,691	530,387
Pension costs	29,591	28,621
Office costs	233,512	308,193
Other administrative costs	59,674	46,595
Governance costs	10,420	16,352
	900,888	930,148



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

	2020 £	2019 £
Support costs have been allocated as follows:		
Expenditure on raising funds (note 5)	658,224	675,910
Expenditure on charitable activities (note 6)	242,664	254,238
	<u>900,888</u>	<u>930,148</u>
8 Analysis of Governance costs	2020 £	2019 £
Auditor and accountancy fees	9,427	7,893
Trustees expenses	418	2,070
Other	575	6,389
	<u>10,420</u>	<u>16,352</u>
9 Staff costs	2020 £	2019 £
Wages and salaries	873,718	887,765
Employer's national insurance	76,781	84,895
Employer's pension contributions	39,819	39,559
	<u>990,318</u>	<u>1,012,219</u>

No trustee, or any of their connected persons, received any remuneration in the current or prior year. Trustees travel expenses were £418 (2019: £2,070) during the year. There were no related party transactions during the year.

The average number of full-time equivalent employees was 26 (2019: 28).

The key management personnel of the charity comprise 4 staff members in addition to the Trustees. The total employee emoluments of the key management personnel of the Charity were £303,821 (2019: £381,295). The highest paid employee received emoluments of £76,480 (2019: £79,910) and pension contributions of £17,850 (2019: £2,397) in the year.

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

	2020 No.	2019 No.
£60,000 - £69,999	2	1
£70,000 - £79,999	1	1
£80,000 - £89,999	-	1



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

10 Tangible fixed assets

	Leasehold improvements £	Equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 October 2019	392,569	308,689	124,884	185,852	1,011,994
Additions	111,271	51,898	3,398	-	166,567
Disposals	-	-	(28,324)	-	(28,324)
At 30 September 2020	503,840	360,587	99,958	185,852	1,150,237
Depreciation					
At 1 October 2019	154,418	140,597	56,446	72,186	423,647
Charge for year	48,811	79,360	18,604	46,463	193,238
Eliminated on disposal	-	-	(3,655)	-	(3,655)
At 30 September 2020	203,229	219,957	71,395	118,649	613,230
Net book value At 30 September 2020	300,611	140,630	28,563	67,203	537,007
At 30 September 2019	238,151	168,092	68,438	113,666	588,347

The net book value of assets under finance lease was £NIL (2019: £2,644).

11 Fixed asset investments

	2020 £	2019 £
Market value at 30 September 2019	13,156,640	12,355,750
Additions / (Disposals)	331,575	359,843
Fee withdrawals	(63,009)	(57,558)
(Decrease) / Increase in market value	(316,570)	498,605
Market value at 30 September 2020	13,108,636	13,156,640
Historic cost at 30 September 2019	12,021,702	11,812,601

Total investment income as disclosed on the face of the Statement of Financial Activities also includes £8,615 (2019: £10,772) of bank interest. All investments are listed.

No single investments exceeded 5% of total market value. The cash element was £132,794.



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

12 Debtors	2020 £	2019 £
Accrued income	171,992	188,547
Prepayments	315,937	552,573
Other debtors	133,253	95,987
	<u>621,182</u>	<u>837,107</u>

13 Creditors: amounts falling due within one year	2020 £	2019 £
Trade creditors	1,206,879	471,726
Other creditors	5,867	5,210
Lottery receipts in advance	535,939	603,881
Accruals	309,959	808,387
Other taxation and social security	19,830	30,118
	<u>2,078,474</u>	<u>1,919,322</u>

14 Provisions for liabilities	2020 £	2019 £
Dilapidations	20,000	-
	<u>20,000</u>	<u>-</u>

The provision for liabilities for prior year (£2,000) was shown within other creditors.

	At 1 October 2019 £	Net movement £	At 30 September 2020 £
Analysis of Provisions for liabilities	2,000	18,000	20,000
	<u>2,000</u>	<u>18,000</u>	<u>20,000</u>



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

15 Controlling party

The charity is controlled by its Trustees.

16 Commitments under operating leases

The charity had commitments under non-cancellable operating leases due in the next 12 months as set out below:

	Land and buildings 2020 £	Other 2020 £	Land and buildings 2019 £	Other 2019 £
Within one year	108,829	1,503,432	71,529	1,500,144
In two to five years	372,004	1,250,014	141,063	1,253,271
In more than five years	620,292	-	41,480	-
	<u>1,101,125</u>	<u>2,753,446</u>	<u>254,072</u>	<u>2,753,415</u>

The charge to the Statement of Financial Activities relating to operating leases for the year was £1,612,261 (2019: £1,571,673)

17 Contingent assets

The estimated cash value of contingent assets is NIL. (2019: £61,000)

18 Analysis of Unrestricted funds

	At 1 October 2019 £	Net Movement in Funds £	Transfers £	At 30 September 2020 £
General fund - operational reserve	17,128,245	(563,067)	1,350	16,566,528
	<u>17,128,245</u>	<u>(563,067)</u>	<u>1,350</u>	<u>16,566,528</u>



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

Analysis of Unrestricted funds – prior year

	At 1 October 2018 £	Net Movement in Funds £	Transfers £	At 30 September 2019 £
General fund - operational reserve	16,825,531	297,214	5,500	17,128,245
	<u>16,825,531</u>	<u>297,214</u>	<u>5,500</u>	<u>17,128,245</u>

19 Analysis of Restricted funds

	At 1 October 2019 £	Net Movement in Funds £	Transfers £	At 30 September 2020 £
Reserve for specified capital expenditure	-	350	(350)	-
Reserve for specific operational costs	1,161	2,770	(1,000)	2,931
Reserve for COVID19 operational expenditure	-	140,000	(140,000)	-
Reserve for other specific costs	8,000	(5,500)	-	2,500
	<u>9,161</u>	<u>137,620</u>	<u>(141,350)</u>	<u>5,431</u>

Analysis of Restricted funds – prior year

	At 1 October 2018 £	Net Movement in Funds £	Transfers £	At 30 September 2019 £
Reserve for specified capital expenditure	5,000	500	(5,500)	-
Reserve for specific operational costs	239	922	-	1,161
Reserve for other specific costs	-	8,000	-	8,000
	<u>5,239</u>	<u>9,422</u>	<u>(5,500)</u>	<u>9,161</u>



HAMPSHIRE AND ISLE OF WIGHT AIR AMBULANCE

Notes to the Financial Statements for the year ended 30 September 2020 contd.

20 Post Balance Sheet Events

Prior to year-end, the Charity signed an agreement to lease new premises at Adanac Park, Nursling, Southampton. The 15 year lease agreement was signed on 21 October 2020.

Since the year end the Charity has made capital commitments of £250,000, being the leasehold improvement costs for the new charity head office at Adanac Park, Nursling, Southampton (2019: nil).

21 Analysis of net assets between funds

Fund balances at 30 September 2020 are represented by:

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	537,007	-	537,007
Investments	13,108,637	-	13,108,637
Net current assets	2,920,884	5,431	2,926,315
	<u>16,566,528</u>	<u>5,431</u>	<u>16,571,959</u>