

Charity Registration No. 1138457

Company Registration No. 06935959 (England and Wales)



LUCY AIR AMBULANCE FOR CHILDREN CHARITY (LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCLUDING THE DIRECTORS' REPORT) &
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

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The logo for Russell New features the word "Russell" in a dark blue, sans-serif font, with a grey swoosh underneath it. Below "Russell", the word "New" is written in a bold, orange, sans-serif font. Underneath "New", the text "business, taxation and charity advisers" is written in a small, grey, sans-serif font.

**Russell
New**
business, taxation and charity advisers

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees

Jill Williams, Chair
Claire Glazebrook, Secretary
Timothy Younger, Treasurer
Alison Clarke
David Marshall
Paul McCartney (appointed 18/06/2016)
Anne Thomas (appointed 19/07/2016)
Emma Gurney (appointed 19/07/2016)
Sanjeev Gupta (appointed 16/08/2016)
William Tyler (appointed 21/03/2017)
Linda Cooke (resigned 16/05/2016)

Patrons

Lord Bilimoria of Chelsea CBE DL
Dr Carol Cooper
Lucy Dimes
Danny Dyer
Dr Stephen Fear
Kate Elizabeth Hallam
Dr Dawn Harper
Odion Ighalo
Dr Hilary Jones
Monique Melis
Kevin Rochay
Levi Roots
Sophie Berenice Scott

Ambassador

Linda Cooke

Advisors

Dr Nandiran Ratnavel
Dr Terry Martin
Laura Mariani (HR)
Stephanie Kleyman (Solicitor)
Carol Jackson (Independent Nurse Consultant)

Chief Executive

Steven Lane

Head of Service

Nicola Cleave

Registered Charity name

Lucy Air Ambulance for Children Charity

Charity number

1138457

Company number

06935959

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

Registered office	The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Principal address	CAN Mezzanine 7-14 Great Dover Street London SE1 4YR
Subsidiary Company	Lucy Air Ambulance Trading Limited Company Registration No. 07632125
Website	www.lucyaac.org.uk
Telephone	020 3096 7870
Independent Examiner	Russell New Limited The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ HSBC Bank Plc PO Box 1EZ 196 Oxford Street London W1D 1NT

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
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**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

The Lucy Air Ambulance for Children Charity (Lucy AAC) Trustees and Directors present their Annual Report (including the Directors' Report) for the year ended 31 March 2017 together with the accounts for the Charity.

The accounts comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REPORT FROM THE CHAIR OF TRUSTEES

I am delighted to be able to report that this is the first full financial year that Lucy AAC has had a professional team in place. Led by Steve Lane (CEO), we have welcomed Danielle Long (Community) and Charlotte Young (Corporate) to the team. Their professionalism and enthusiasm is much appreciated by the Trustee Board.

The Board has been strengthened by the appointment of several new Trustees, Emma Gurney, Anne Thomas, Paul McCartney, Sanjeev Gupta and the welcome return of Will Tyler. This has enabled us to establish five sub committees to oversee; Finance, Fundraising, Operations, Governance and Marketing. We have been fortunate in gaining the support of Carol Jackson and Stephanie Kleyman as advisors to the Board for clinical operational and legal matters.

Trustees have also been active in fundraising, particular thanks to Tim Younger and his wife Helen for organising a very successful and enjoyable Summer Ball. Also to Sanjeev Gupta for his gruelling and successful hot yoga challenge. I am very grateful to Anne Thomas and her colleagues at IHS Markit who worked so hard to make a collection day at Waterloo Station such a great success.

Our first corporate fundraising lunch took place in London where our Patron, Dr Stephen Fear, was the guest speaker and we welcomed representatives from Houlihan Lokey and event sponsors, Simpson Thacher & Bartlett LLP. I am delighted and honoured that both companies have chosen Lucy AAC as one of their nominated charities.

This financial year has been a year of rapid growth and development which the Board and staff have embraced with great success. It is heart-warming to report that we exceeded our target for transfers and 15 children have been moved safely for their onward care. To ensure we expand and deliver an air transport service of the highest quality, the Trustees have embarked on an extensive strategic planning process which is also aimed at the long term sustainability of the Charity.

We are an ambitious Charity, always looking at ways to improve and evolve. We cannot do this without the support of our volunteers and supporters, without whom we would not be able to provide our service to those children and their families who so desperately need us.

**Jill Williams
Chair of the Board of Trustees
July 2017**

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

ABOUT US

Registered in October 2010, Lucy AAC provides the swift, safe and timely transfer of children to the hospital they need. We facilitate inter-hospital transfers and repatriations, including for end of life care. We fly children up to the age of 16, our youngest patient was born 16 weeks early (extremely premature).

Supported by professional staff trained for in-flight care, Lucy AAC works alongside the NHS to provide and deliver the highest standards of care. We are the only UK charity that can facilitate the transfer of children over longer distances because we use a fixed wing aircraft.

The advantages of using an aeroplane are:

- We can travel longer distances and cover the whole country
- It is more reliable and less dependent on external factors such as weather conditions
- It is a safer and more comfortable environment

We provide:

- Fully equipped medical aircraft, and highly qualified medical experts
- Ambulance transfers from the hospital to the airport at both location and destination
- Liaison with medical professionals in both location and destination

OBJECTIVES

The principal objectives of Lucy AAC are:

“The relief of sickness for babies and children requiring expert medical care or relocation. We do this by facilitating the provision of a dedicated air transfer service throughout the UK and providing holistic support to their families”

The vision of Lucy AAC is to provide long distance transfers and to be a centrally funded, clinically led national air transport system meeting the highest standards of care. We believe every child is important and deserves the right treatment, in the right place, at the right time.

ACHIEVEMENTS AND PERFORMANCE

We successfully completed 15 transfers in the 2016/17 financial year, exceeding our target of 12 and we are on course to achieve the 2017/18 target of 24.

The transfer of triplets from Liverpool to Middlesbrough just before Christmas attracted local and national media interest and was featured on BBC's Look North, ITV News and the NHS Foundation Trust website.

Our Head of Service, Nicola Cleave, attended the Neonatal Transport Conference in Bristol and made contact with a number of healthcare professionals which later resulted in visits including:

- Bristol Children's Hospital – to visit the NEST team
- Wakefield - to visit the Embrace team
- Darlington - to visit IAS Medical
- Birmingham Children's Hospital

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We have met with other charities to discuss possible collaboration and have recognised the importance of raising our brand awareness with our colleagues at other air ambulance charities so have set up a series of meetings to engage further. We are proactive in developing and establishing a network with transport units and large children's hospitals throughout the UK.

We are delighted to welcome Carol Jackson as an advisor. Carol is a neonatal specialist with 37 years' experience including 25 years in transportation. Carol was a member of the Department of Health Task Force for the development of the Neonatal Toolkit (2009) and of the Expert Working Group for Neonatal Transport. Carol has assisted in the development of our clinical governance framework and provides vital support to our Head of Service.

PUBLIC BENEFIT

In establishing the annual objectives and activities which fulfil Lucy AAC's overall aims, the Trustees have regard to the principles of public benefit at all times. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

As the provider of a dedicated national fixed wing air transfer service, healthcare professionals are able to call upon our air transport service at critical times assured that their patient will receive the highest standards of care. Our service is delivering positive outcomes for those children and their families, benefiting physical and emotional health and well-being and reducing levels of stress.

From the survey sent to parents in the 2016/17 year:

- 100% strongly agreed they were very satisfied with the service provided by Lucy AAC
- 100% strongly agreed their child was well cared for during the transfer
- 86% strongly agreed they were kept fully informed throughout the planning of the transfer (14% agreed)
- 71% strongly agreed they were kept fully informed on the day of the transfer (29% agreed)

Asked how we can improve our service, one parent replied:

"The service provided was outstanding that I'm not able to suggest how you could improve it. The care and reassurance shown in what was a very difficult time for us, by the whole team (in particular Nicola your Head of Service) was truly amazing and we couldn't thank you all enough"

Our first parents support group has been formed and we hope to set up similar regional groups as the year progresses.

ASSOCIATION OF AIR AMBULANCES

Lucy AAC is an associate member of the Association of Air Ambulances which represents the majority of the air ambulance network. Members are governed by a code of conduct which formally recognises the integral part that air ambulances play in the medical service provision. For further information please visit, www.associationofairambulances.co.uk.

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THE WAY FORWARD

Our Business Plan, including the Fundraising Strategy, will reflect the ambitions of the Trustees and how the Charity will grow over the next 3 years. Our immediate aim is to achieve sustainability now that LIBOR funding has come to an end. To ensure the future of our vital service. We aim to:

1. Continue to build stronger relations with healthcare professionals and NHS Trusts throughout the UK, which in turn will increase the number of transfers we perform
2. Develop a clinical governance framework and ensure our SOP's, policies and procedures are fully maintained and updated
3. Develop relationships within the air ambulance sector and UK transport teams
4. Develop regional parent and supporter groups throughout the UK
5. Continue to achieve the highest standards across all areas of service provision, management, fundraising and governance – ongoing reviews of our internal processes will be carried out by the sub committees and senior management
6. Broaden our fundraising activities

DEVELOPING OUR SERVICE

We aim to double the number of missions undertaken in the next financial year. Our Chief Executive and Head of Service, with the support of our advisors, are dedicated to meeting service standards including maintaining the highest standards as evidenced in the excellent feedback received from the parents of children we have transferred. We meet proactively with healthcare professionals and NHS Trusts throughout the country and attend relevant conferences to raise the awareness of our service. Furthermore, we aim to build relationships with healthcare professionals with every transfer. We are excited that Carol Jackson, our Independent Nurse Consultant, will continue to support the clinical governance framework, provide an ongoing review of our activities and ensure our policies and procedures are current and follow best practice. We intend to remain associate members of the Air Ambulance Association and our Chief Executive, our staff and trustees will continue to network and develop relevant contacts. It is our intention to establish parent support groups, on a regional basis, for the families that have used our service.

FUNDRAISING AND INVESTING IN THE FUTURE

We have in place a fundraising team dedicated to meeting the targets required and a fundraising strategy that spreads across all income streams including:

- Trusts & Foundations – which will provide a high percentage of our income and a new T&F Manager will further develop this income stream
- Collection Boxes – the Charity has an extensive static collection box network that extends nationwide and we continue to place new boxes
- Corporate – Our new Corporate Partnerships Manager is making a significant difference to the Charity's corporate activity and we already enjoy the support of major London based companies
- Events – Our first Corporate Lunch was a success and more events are being planned
- Community – our thanks go out to all those who raise funds through their own events or taking part in challenges such as the Brighton and London Marathons

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The recent adverse publicity surrounding certain third sector organisations and their alleged bad practice has prompted the Trustees of Lucy AAC to review the Charity's fundraising practices to ensure we adhere to best practice at all times, these include:

- To fully comply and be guided by the new Code of Fundraising Practice from the Fundraising Regulator
- Compliance to the ICO (Information Commissioners Office) guidelines
- Implementation of a Data Protection Policy which follows the guidelines set out by the ICO
- The recording of all personal data kept on a recognised CRM database
- A guarantee that all personal data is maintained by Lucy AAC and is not passed on or shared with a third party
- Registration and compliance with the Fundraising Preference Scheme (once launched)
- Trustees aware of the Charity Commission publications "The Essential Trustee" (CC3) & "Charities and Fundraising" (CC20)

EQUAL OPPORTUNITIES POLICY

The charitable company is committed to eliminating any discrimination and promoting diversity and equality of opportunity in all it does. It is therefore the charitable company's policy to ensure that no service user, employee or job applicant is treated less favourably, but not limited to, on the grounds of sex, race, sexual orientation, ethnic or national origin, disability, religion or age.

Lucy AAC will comply with all statutory obligations and codes of practice relating to equal opportunities to ensure we eliminate discrimination and promote equality of opportunity.

STRUCTURE AND GOVERNANCE

This report has been prepared under the provisions applicable to small companies.

Lucy Air Ambulance for Children Charity is a Registered Charity, number 1138457. It is a Company, number 06935959, limited by guarantee. The Charity is governed by its Memorandum and Articles of Association. The Trustees who served during the period were as listed on the Legal and Administrative Information page. As at March 31st 2017 there were 10 guarantors whose liability in the event of a winding up is limited to £10 each.

The directors of the company, who are also charity Trustees for the purposes of charity law, form the Board of Trustees. Two of the Trustees serve voluntarily as Treasurer and Company Secretary respectively. The Trustees have delegated day to day management of the Charity to the Chief Executive.

A full Board meeting is held at least six times during each period of 12 months. One Trustee is appointed as Chair and staff are invited to report on the service and fundraising activities. Sub-committees have been introduced to oversee; Finance, Fundraising, Operations, Governance and Marketing.

The minimum number of Trustees is four, there is no maximum. Prospective Trustees are required to complete an application form and declare any conflicts of interest. No person is appointed to serve as a

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Trustee unless recommended by the existing Trustees. New Trustees are introduced to the Board and briefed as necessary in all aspects of Lucy AAC's objectives and policies. Trustees are encouraged to seek training, as appropriate, also to observe and follow the requirements and guidelines set down by the Charity Commission.

RISK MANAGEMENT

The Trustees, together with staff, are implementing controls and procedures throughout the organisation to minimise external and internal risk and ensure a consistent, high quality of care for the children and appropriate working conditions for the staff.

Risks have been identified to which the Charity is exposed and which might impact on Lucy AAC's ability to achieve its objectives. To mitigate those risks, policies and procedures are being developed and they will be designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The Trustees have established an ongoing process for identifying, evaluating and managing Lucy AAC's key risks. In particular there are procedures being developed for:

- Obtaining sufficient funding to provide for the service
- Providing the capacity to meet the demand for services
- Ensuring that the service meets required standards
- Avoiding actions that could damage the organisation's reputation
- Recruiting and retaining sufficient levels of skilled staff
- Providing adequate ICT systems and ensuring the protection and security of confidential information
- The overall management and development of systems and personnel
- Ensuring the provision of adequate levels of governance and operational control through its Trustees and senior management
- Financial reporting within a comprehensive planning and accounting framework, and
- Monitoring of other risks which are identified and reported to the Trustees

The Trustees will continue to monitor the risks and the effectiveness of the system of control that has been put in place by the Charity.

MANAGEMENT

The Chief Executive is responsible for ensuring the delivery and standards of the service meet the objectives set out by the Trustees.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
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TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

FINANCIAL REVIEW

We are reporting on a 12 month period April 1st 2016 to March 31st 2017.

Gross income of £681,739 was achieved (31st March 2016: £570,544).

The principal funding source of the Charity in the reporting period was monies received from the LIBOR Fund, £432,487 (31st March 2016: £472,847).

Resources expended in the period were £521,178 (31st March 2016: £329,774). During the year the charity made a one-off capital payment of £120,027 for the purchase of an incubator which is included within plant and machinery fixed assets (see note 10).

£203,100 (31st March 2016: £53,920) direct transfer costs were incurred in the year.

RESERVES POLICY

It is the policy of the Board to build sufficient unrestricted reserves to cover six months of expenditure. The Trustees have no plans to seek borrowings from any source. With the anticipated growth of funds, the Trustees will seek professional investment advice regarding the safe appropriate investment of those funds. Until reserve funds reach a level considered by the Trustees to require investment advice, they are retaining the funds in the bank account at CAF.

The £161 in restricted funds at 31 March 2017 (31 March 2016: £167,338 representing monies received from the LIBOR Fund restricted to specific costs agreed with the Cabinet Office) represents monies received for expanding the number of missions carried out by the Charity.

The £433,965 in unrestricted reserves at 31 March 2017 (31 March 2016: £106,227) is available to help meet the Charity's running costs and charitable activities. This level of funds is sufficient to cover 10 months of expenditure based on current year figures.

A key objective of the Trustees is to ensure the Charity has adequate funding to safeguard its daily activities and meet its financial obligations and commitments. The Trustees are aware of the constant need to secure funding for future years.

GOING CONCERN

Accounting standards require the Trustees to consider the appropriateness of the going concern basis when preparing the financial statements. The Trustees confirm that they consider the going concern basis remains appropriate.

The Trustees have taken notice of the Financial Reporting Council guidance 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009', which requires the reasons for this decision to be explained. The Trustees regard the going concern basis as remaining appropriate as the company has adequate resources to continue in operational existence for the foreseeable future. The Charity has sufficient reserves

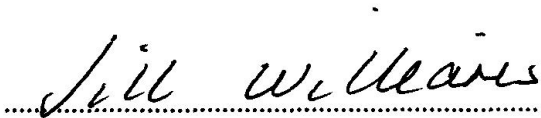
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(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2017**

to make several transfers and the income stream is growing to enable further transfers to be made in the future.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

So far as the Trustees are aware, there is no relevant audit information of which the company's independent examiners are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant independent examination information and to establish that the company's independent examiners are aware of that information.

The Trustees' Report incorporating the Directors' Report was approved by the Board of Trustees on 4 September 2017 and signed on its behalf by;



Jill Williams

Chair of Trustees

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees, who are also the Directors of Lucy Air Ambulance for Children Charity for the purpose of company law, are responsible for preparing the Trustees' Report (incorporating the Director's Report) and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

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

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 the group and hence 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.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LUCY AIR AMBULANCE FOR CHILDREN CHARITY**

I report on the accounts of the company for the year ended 31 March 2017, which are set out on pages 12 to 23.

Respective responsibilities of Trustees and auditors

The Trustees (who are also directors of Lucy Air Ambulance for Children Charity for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and part 16 of the Companies Act 2006 and that an independent examination is needed.

The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants. Having satisfied myself that the Charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LUCY AIR AMBULANCE FOR CHILDREN CHARITY**

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of 396 of the Companies Act 2006, Regulation 8 of the Charities Act 2011 and with the methods and principles of the Charities Statement of Recommended Practice FRS 102 have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr Mark Cummins FCCA FCIE

for and on behalf of Russell New Limited

The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Dated: 13 September 2017

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017


		Unrestricted funds	Restricted funds	Total 2017	Total 1 July 15 to 31 March 16
	Notes	£	£	£	£
Income from:					
Donations	3	191,761	14,633	206,394	94,340
Charitable activities	4	42,858	432,487	475,345	476,204
Total income		234,619	447,120	681,739	570,544
Expenditure on:	5				
Raising funds					
Fundraising costs		-	252,610	252,610	125,534
Purchase of fundraising operations		-	-	-	105,000
Charitable activities					
Provision of air ambulance transfers		26,908	241,660	268,568	99,240
Total expenditure		26,908	494,270	521,178	329,774
Net income/(expenditure)		207,711	(47,150)	160,561	240,770
Transfers between funds	14	120,027	(120,027)	-	-
Net movement in funds		327,738	(167,177)	160,561	240,770
Fund balances at 1 April 2016		106,227	167,338	273,565	32,795
Fund balances at 31 March 2017		433,965	161	434,126	273,565

All activities are classified as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	10		123,724		6,298
Investments	11		1		1
			<u>123,725</u>		<u>6,299</u>
Current assets					
Debtors	12	27,610		31,597	
Cash at bank and in hand		303,175		250,017	
		<u>330,785</u>		<u>281,614</u>	
Creditors: amounts falling due within one year	13	(20,384)		(14,348)	
Net current assets			310,401		267,266
Total net assets			434,126		273,565
Income funds					
Restricted funds	14		161		167,338
Unrestricted income funds			433,965		106,227
			<u>434,126</u>		<u>273,565</u>

The accounts were approved by the Board on 4 September 2017.



 Jill Williams
 Trustee

Company Registration No. 06935959

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	£	Total 2017 £	Total 1 July 15 to 31 March 16 £
Net cash inflow from operating activities	16		178,285	250,689
Cash flows from investing activities:				
Purchase of tangible fixed assets	10	(125,127)		(8,397)
Net cash used in investing activities		(125,127)		(8,397)
Change in cash and cash equivalents in the year			53,158	242,292
Cash and cash equivalents at the beginning of the year			250,017	7,725
Cash and cash equivalents at the end of the year			303,175	250,017
Analysis of cash and cash equivalents				
	At 1 April 2016	Cash flow	Non-cash changes	At 31 March 2017
	£	£	£	£
Cash at bank and in hand	250,017	53,158	-	303,175

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2017

1.0 Statutory information

Lucy Air Ambulance for Children Charity is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found in the Legal and Administrative Information section of the accounts.

2.0 Accounting policies

2.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance 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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The comparative reporting period is for less than 12 months, covering the period 1 July 2015 to 31 March 2016. As a result the comparative amounts presented in these accounts are not entirely comparable with current year results.

Lucy Air Ambulance for Children Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about Lucy Air Ambulance for Children Charity's ability to continue as a going concern.

2.2 Group financial statements

The company has taken advantage of the exemption to prepare consolidated financial statements afforded to it by the Charities SORP (FRS 102). Therefore these financial statements present information about the charity as an individual undertaking and not as a group.

2.3 Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy.

Income from donations is accounted for as received by the Charity. The income from fund raising ventures is shown gross, with the associated costs included in fund raising costs. The value of voluntary work is not included in the financial statements.

Grants are recognised in full in the SOFA in the year in which they are receivable and the charity is entitled to the income.

Other income is recorded on an accruals basis.

2.4 Expenditure

Costs are included in the Statement of Financial Activities on an accruals basis inclusive of irrecoverable VAT. All costs are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource.

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Fundraising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the Charity's work. This includes the cost of advertising for donations and the staging of special events.

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also central support costs that enable the Charity's charitable income generating and administrative activities to be undertaken. These costs have been allocated as follows:

- Staff costs allocated on a time basis
- Other costs allocated on estimated resource use

Comparatives in note 5 have been updated to show only central support staff costs in line with the above policy. Comparatives in note 4 have been updated in accordance with changes to note 5. These changes ensure consistency in presentation across years which facilitates a fairer comparison of numbers.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	25-30% straight line
Plant & equipment	10-15 years straight line

Assets costing less than £100 are written off to the Statement of Financial Activities and are not considered for capitalisation purposes.

2.6 Investments

Fixed asset investments are stated at cost less provision for any impairment.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.9 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.

2.10 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.

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2.11 Accumulated funds

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – Donations, bequests or incoming resources for which the donor has earmarked for a specific purpose are treated as restricted funds.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2.12 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

3 Income from Donations

	Unrestricted funds	Restricted funds	Total 2017	Total 1 July 15 to 31 March 16
	£	£	£	£
Charity boxes	108,431	-	108,431	91,616
General donations from individuals	1,988	-	1,988	454
Charitable Trust Donations	56,405	14,633	71,038	1,000
Other donations	24,937	-	24,937	1,270
	<u>191,761</u>	<u>14,633</u>	<u>206,394</u>	<u>94,340</u>

4 Income from Charitable Activities

	Unrestricted funds	Restricted funds	Total 2017	Total 1 July 15 to 31 March 16
	£	£	£	£
Grants receivable	-	432,487	432,487	472,847
Event income	25,578	-	25,578	3,357
Service fees	15,080	-	15,080	-
Equipment hire fees	2,200	-	2,200	-
	<u>42,858</u>	<u>432,487</u>	<u>475,345</u>	<u>476,204</u>

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5 Total expenditure

	Staff costs	Depreciation	Other Costs	Total 2017	Total 1 July 15 to 31 March 16
	£	£	£	£	£
Costs of raising funds					
Fundraising costs	117,717	-	78,831	196,548	93,381
Purchase of fund raising operations	-	-	-	-	105,000
Support costs	6,556	-	49,506	56,062	32,153
	124,273	-	128,337	252,610	230,534
Charitable activities					
<u>Provision of Air Ambulance transfers</u>					
Activities undertaken directly	105,440	7,701	89,959	203,100	53,920
Support costs	6,556	-	58,912	65,468	45,320
Total	111,996	7,701	148,871	268,568	99,240
Total expenditure	236,269	7,701	277,208	521,178	329,774

Last year the Charity paid £105,000 to acquire it's outsourced fundraising operations from SQ1 Event Management Limited. This balance represents a material non-recurring expense and has therefore been presented separately in the Statement of Financial Activities.

6 Support costs (including Governance Costs)

	Total 2017	Total 1 July 15 to 31 March 16
	£	£
Wages and salaries	13,112	4,460
Professional and legal fees	4,634	23,555
Recruitment and HR fees	18,853	26,073
ICT	18,941	4,242
Advertising	8,828	904
Printing and stationery	7,219	2,092
Independent examiner	3,600	3,384
Memberships and subscriptions	2,370	1,146
Travel	5,735	376
General expenses	38,238	11,241
	121,530	77,473

Included within support costs above are governance costs. These costs include amounts payable to the independent examiners of £3,600 (2016: £3,384) for independent examination and other services.

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7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year or received any reimbursement of expenditure.

8 Comparative funds – Statement of Financial Activities for the period ended 31 March 2016

		Unrestricted funds	Restricted funds	Total 1 July 15 to 31 March 16	Total 1 July 14 to 30 June 15
	Notes	£	£	£	£
Income from:					
Donations	3	94,340	-	94,340	54,707
Charitable activities	4	3,357	472,847	476,204	1,995
Total income		97,697	472,847	570,544	56,702
Expenditure on:	5				
Raising funds					
Fundraising costs		24,265	101,269	125,534	40,916
Purchase of fundraising operations		-	105,000	105,000	-
Charitable activities					
Provision of air ambulance transfers		-	99,240	99,240	23,053
Total expenditure		24,265	305,509	329,774	63,969
Net income/(expenditure) and net movement in funds		73,432	167,338	240,770	(7,267)
Fund balances at 1 July 2015		32,795	-	32,795	40,062
Fund balances at 31 March 2016		106,227	167,338	273,565	32,795

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9 Staff costs

The total average monthly number of employees (number of staff employed) during the reporting period was 6 (2016: 3).

Staff costs	Total 2017	Total 1 July 15 to 31 March 16
	£	£
Wages and salaries	218,035	29,202
Social security costs	18,234	947
	<u>236,269</u>	<u>30,149</u>
Number of employees whose total employee benefits fall within the following bands:	2017 Number	2016 Number
	£	£
£60,000 - £69,999	<u>1</u>	<u>-</u>

The key management personnel of the Charity comprise the Chief Executive. The total employee benefits of the key management personnel were £67,160 (2016: £13,462).

10 Tangible fixed assets

	Computer equipment	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2016	8,397	-	8,397
Additions	-	125,127	125,127
At 31 March 2017	<u>8,397</u>	<u>125,127</u>	<u>133,524</u>
Depreciation			
At 1 April 2016	2,099	-	2,099
Charge for the year	2,099	5,602	7,701
At 31 March 2017	<u>4,198</u>	<u>5,602</u>	<u>9,800</u>
Net book value			
At 31 March 2017	<u>4,199</u>	<u>119,525</u>	<u>123,724</u>
At 31 March 2016	<u>6,298</u>	<u>-</u>	<u>6,298</u>

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11 Fixed asset investments

	2017	2016
	£	£
Shares in group undertakings	1	1

The shares above represent the investment in Lucy Air Ambulance Trading Limited which is a wholly-owned trading subsidiary, company number 07632125, incorporated in England and Wales. The Charity owns the entire issued share capital of 1 Ordinary £1 share. The registered office address of the subsidiary is: The Courtyard, Shoreham Road, Upper Beeding, Steyning, West Sussex, United Kingdom, BN44 3TN. The subsidiary is dormant and a summary of its balance sheet is shown below:

Summary balance sheet

	2017	2016
	£	£
The assets and liabilities of the subsidiary were:		
Current assets	1	6,954
Creditors: amounts falling due within one year	-	(18,652)
Total net assets	-	(11,698)
Aggregate share capital and reserves	1	(11,698)

12 Debtors

	2017	2016
	£	£
Prepayments and accrued income	13,795	5,275
Amounts due from subsidiary undertakings	-	18,652
Other debtors	13,815	7,670
	27,610	31,597

13 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	9,783	-
Accruals	3,600	11,401
Taxes and social security	7,001	2,947
	20,384	14,348

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14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants for specific purposes:

	Balance at 1 April 2016	Income	Expenditure	Transfers between funds	Balance at 31 March 2017
Cabinet Office – Project Funding	167,338	432,487	(479,798)	(120,027)	-
Mission Fund	-	14,633	(14,472)	-	161
	<u>167,338</u>	<u>447,120</u>	<u>(494,270)</u>	<u>(120,027)</u>	<u>161</u>

Cabinet Office – Project Funding

The purpose of the grant is to support the Charity to source its charter services on a more permanent basis and, so secure the long term viability of the Charity, along with boosting fundraising capabilities. A transfer has been made to unrestricted funds representing the remaining fund balance used to purchase an incubator which has been capitalised.

Mission Fund

This fund represents incoming resources to be used directly towards the cost of continuing and expanding the number of missions carried out by the Charity.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible fixed assets	123,724	-	123,724
Investments	1	-	1
Current assets	330,624	161	330,785
Creditors: amounts falling due within one year	(20,384)	-	(20,384)
	<u>433,965</u>	<u>161</u>	<u>434,126</u>

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16 Net cash inflow from operating activities

	2017	2016
	£	£
Net income	160,561	240,770
Depreciation of tangible fixed assets	7,701	2,099
Decrease/(increase) in debtors	3,987	(3,116)
Increase in creditors	6,036	10,936
Net cash inflow from operating activities	<u>178,285</u>	<u>250,689</u>

17 Financial commitments

The Charity must give three months' notice to cancel its licence to occupy 7-14 Great Dover Street, London, SE1 4YR. This would represent a commitment of £7,438 (2016: £7,438) due within one year at the balance sheet date.

18 Related party transactions

During the year a loan to Lucy Air Ambulance Trading Limited, a wholly owned subsidiary, amounting to £11,699 was written off.

19 Share capital

Lucy Air Ambulance for Children Charity is a company limited by guarantee and has no share capital.

20 Control

No one member has overall control of the Charity.