

**Registered Charity Number: 1083876**  
**Company Number: 4066700**



**Company limited by guarantee**  
**Financial Statements and Annual Report**  
**For the year ended**  
**30 June 2017**

# East Anglian Air Ambulance

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Year ended 30 June 2017

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# East Anglian Air Ambulance

## Charity Reference and Administrative Details

### Year ended 30 June 2017

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The Trustees present their report and audited consolidated financial statements of the charity and the group for the year ended 30 June 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### Reference and administration information

<b>Charity name</b>	East Anglian Air Ambulance	
<b>Charity registration number</b>	1083876	
<b>Company registration number</b>	4066700	
<b>Address and registered office</b>	Hangar E Gambling Close Norwich Airport Norwich NR6 6EG	
<b>Trustees as at date of approval</b>	Major General Sir William Cubitt KCVO CBE (Chairman) * D Astill † Mrs S Bourne * † R S Holden * The Earl of Iveagh DL * † N Savory FCA DL * Dr D I Siegler DL † Mrs P A Walkinshaw DL T F Wells * Member of Finance Committee      † Member of Nominations committee	
<b>Chief Executive</b>	P G Peal	
<b>Company Secretary</b>	C H Dicker FCA DChA DL	
<b>Bankers</b>	NatWest Bank plc 1 Broadland Business Park Peachman Way Norwich NR7 0WF	Barclays Bank plc 3 St James Court Whitefriars Norwich NR3 1RJ
<b>Investment Bankers</b>	BNY Mellon Fund Managers Limited Client Service Centre PO Box 366 Darlington DL1 9RF	
<b>Solicitors</b>	Hansells 13 The Close Norwich NR1 4DS	
<b>Auditor</b>	Lovewell Blake LLP Chartered Accountants & Registered Auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB	

# **East Anglian Air Ambulance**

## **Trustees' Report (including Directors' Report and Strategic Report)**

**Year ended 30 June 2017**

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### **Objectives and activities**

#### **Objectives of the Charity**

The objects of the Charity are the relief of sickness and injury and the protection of human life principally (but not exclusively) by the provision of an air ambulance service (whether or not in conjunction with other parties from time to time) wholly or mainly within the area served by East of England Ambulance Service NHS Trust.

The Charity is in the process of seeking approval from the Charity Commission to amend its charitable objectives to include other means of emergency transportation and the provision of training, research and education in the field of pre-hospital medicine and the provision of post-hospital support for patients.

### **Structure, governance and management**

#### **Constitution**

East Anglian Air Ambulance ("EAAA" or "The Charity") was established on 6 September 2000 as a charitable company limited by guarantee. It is governed by its Articles of Association adopted on 18 December 2014.

East Anglian Air Ambulance (Trading) Limited was formed on 2 January 2001 as a wholly-owned subsidiary to carry out trading activities on behalf of the Charity.

#### **Recruitment and appointment of Trustees**

The Directors of the Charity are its Trustees for the purposes of Charity Law and throughout this report are collectively referred to as the Trustees.

The Trustees at the date of signing this report are listed on page 1.

Mr J K Buckle DL retired on 13 December 2016. Mr R S Holden was appointed on 13 December 2016 and Mr T F Wells was appointed on 21 September 2017.

The Trustees, when complete, comprise of at least five and not more than nine persons. Trustees are appointed to serve in three year terms and do not normally hold office for more than six years, subject to a maximum of nine years. The Chairman may serve for a maximum two additional terms.

The current Trustees are the Members of the Charity for Company Law purposes.

The election and re-election of Trustees normally takes place at the Annual Trustees meeting.

A Nomination Committee leads the process of selection of candidates for appointment to the Board of Trustees and to make recommendations to the Trustees as regards plans for succession.

#### **Trustee induction and training**

On appointment Trustees are given an induction briefing and a comprehensive Trustee Governance Manual which includes:

- Information about the organisational structure of the Charity
- Guidance on their roles and responsibilities
- The Memorandum and Articles of Association
- The latest statutory and management accounts

Trustees attend training sessions and are encouraged to keep up to date with Charity issues by reading Charity Commission newsletters and other relevant publications.

# **East Anglian Air Ambulance**

## **Trustees' Report (including Directors' Report and Strategic Report)**

**Year ended 30 June 2017**

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### **Organisational structure**

The Charity is governed by the Trustees who meet every three months and are responsible for the strategy and direction of the organisation.

A Finance Committee comprising at least two Trustees, three individuals external to the Charity, the Chief Executive, the Company Secretary and selected members of the Executive Team meets quarterly to consider financial matters and risk management issues and reports to the Trustees accordingly.

At the date of this report, The Executive Team comprises:

- Chief Executive
- Director of Fundraising
- Director of Operations
- Medical Director
- Head of Financial and Support Services

The Executive Team directs the day-to-day operational and fundraising activities of the Charity. The Chief Executive provides monthly written reports to the Trustees.

Decisions requiring Trustee approval are defined in the Trustees Governance Manual and include:

- Board and Committee appointments
- The Charity's strategic aims, its objectives and direction
- The appointment and remuneration packages of the Chief Executive and Executive Directors

The Charity is a member of the Association of Air Ambulances. The Association was established as a membership body for those organisations which form the air ambulance services in the UK. The Association's membership is made up of charities, ambulance services and the supply chain that provides this valuable life-saving service. Members are governed by a Code of Conduct which formally recognises the integral part that air ambulances play in the medical service provision.

The Chief Executive has regular meetings with the East of England Ambulance Service NHS Trust and with his counterparts at the Essex & Herts Air Ambulance Trust (EHAAT) and Magpas Air Ambulance.

The Charity's wholly owned trading subsidiary, East Anglian Air Ambulance (Trading) Limited runs a lottery and undertakes certain trading activities. The company operates independently of the Charity in accordance with Charity Commission guidelines.

### **Remuneration Policy**

The success of the Charity is largely dependent on its ability to attract and retain talented staff, with appropriate skills, who share its core values and passion for the cause of saving lives following the motto "Together We Save Lives".

The Charity is therefore committed to investing in its people, both from a remuneration perspective and in terms of their professional and personal development.

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

The remuneration packages of the Chief Executive and Executive Directors are benchmarked against those of similar organisations and are reviewed by the Nominations Committee before being ratified by the Trustees.

# **East Anglian Air Ambulance**

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**Year ended 30 June 2017**

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### **Public benefit statement**

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit and that the Charity meets the requirements in the advancement of its objects.

The Charity exists to provide free of charge enhanced emergency medical care services to the people of East Anglia, day and night, by virtue of two helicopter-based teams and Rapid Response Vehicles - each normally consisting of a doctor and a critical care paramedic. These HEMS (Helicopter Emergency Medical Services) teams have the capacity to save life by conducting advanced medical interventions wherever a patient has become ill, whether for a medical reason such as a cardiac arrest or because of an accident of some kind.

The Charity's objects are pursued by means of highly-skilled and experienced senior doctors presiding over a team of clinicians using state-of-the-art equipment, delivered at great speed to patients who then benefit from life-saving operations of the kind normally delivered in an emergency department of a hospital. These advanced interventions, which can include the administration of a general anaesthetic, can increase significantly the likelihood of very seriously ill patients surviving until they can reach a hospital that is equipped to deal with them. As the NHS relies increasingly on a smaller number of specialist facilities the HEMS teams' ability to transport patients by helicopter is also of huge value.

### **Volunteers**

The Charity is supported by a team of over 300 volunteers who help the Charity achieve its objectives. Volunteers assist in all areas of the charity, from administration support to front line fundraising, DIY to professional services and countless other areas. Over 3,800 volunteer hours have been recorded during the year with a financial value of around £30k. Many volunteers are "unsung heroes" and do not wish to log their hours, and the estimated value of volunteer time is much higher.

The Charity values the huge contribution its volunteers make in supporting the EAAA. The Charity relies on their dedication and commitment, not only to raise vital funds but also to raise awareness of the critical work undertaken. Unpaid volunteers help out in fundraising offices and at events, co-ordinating collection pots, giving presentations to community groups, and on occasions assisting with specific project work.

The transformative powers of volunteering can improve wellbeing, promote skills and personal development, and can bring people together in their community. This was evidenced most strikingly at EAAA's flagship fundraising event, Only The Brave. 160 volunteers were needed to support the muddy obstacle run over the 2 days. Without them, it couldn't have happened. Together they gave 750 hours of their time, saving the Charity almost £6,000, had they been paid the minimum wage.

Volunteers are recruited in various ways, most notably through the Charity's own website and social media pages, but also through local volunteer centres, recruitment websites such as Do-It and Indeed.com and by working closely and building relationships with local universities and colleges.

### **Fundraising**

#### ***General approach***

The Charity raises funds from the following sources:

- A weekly lottery registered with the Gambling Commission, with almost 100,000 players and operated through a subsidiary trading company East Anglian Air Ambulance (Trading) Limited
- Raffles held three times a year
- Community fundraising including legacies, events, in-memory donations, collection boxes and general donations
- Trusts, foundations and corporates
- Circle of Benefactors

# **East Anglian Air Ambulance**

## **Trustees' Report (including Directors' Report and Strategic Report)**

**Year ended 30 June 2017**

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### ***Lottery***

The Charity has contracts with two lottery canvassing companies, Tower Lottery Partnerships Ltd and Burden and Burden Marketing.

New lottery members and individual givers are signed up, sometimes directly by the Charity but predominantly by canvassers from the two canvassing companies, both of which employ canvassers to fundraise on behalf of multiple charities. Canvassers visit the public in their homes (door-to-door fundraising), at shopping centres and at public events where the Charity or one of its partners, for example a corporate partner, may have presence.

The activities of these companies are monitored by the Fundraising Team. Both companies comply with the directions of the Fundraising Regulator, the Gambling Commission and aim to be fully compliant with GDPR (General Data Protection Regulations) by the introduction date of May 2018.

Tower Lottery Partnership and Burden and Burden both run training programmes for the canvassers they employ in order to ensure they comply with the law and regulation in fundraising and gambling, but also so that they are well informed about how to protect vulnerable people and to acknowledge when people do not wish to be disturbed.

### ***Legacies***

The Charity promotes leaving a gift in a will via marketing literature such as the supporter magazine Anglia Lift Off and to the community via presentations. Legacies form a vital and growing part of the Charity's income and underpin developments in the Charity's service capabilities.

### ***Events***

The Charity benefits from numerous supporter-led events and a small number run by the Charity, including flagship events Only The Brave, The Big LEAAp and The Norfolk Polo Festival.

### ***Community fundraising***

EAAA teams of community fundraisers across the region work with volunteers and the general public to attract donations. Volunteers attend events for EAAA, selling merchandise and tombola tickets to raise funds and also regularly present to groups such as the WI and Rotary.

Community fundraising teams support people in their local areas to organise cake sales, cycle rides, challenge events and community events. A number of events rely on the assistance of volunteers whose involvement is greatly appreciated.

### ***Trusts and foundations***

The development team staff submit bids to Trusts and Foundations seeking grants for vital equipment and training for the clinical and operations teams.

### ***Corporate engagement***

The Charity engages with local corporate partners by inviting sponsorship for flagship and other events.

### ***Fundraising regulation***

The Charity follows the guidance issued by the Fundraising Regulator, subscribes to the Direct Marketing Association and aims to be fully compliant with GDPR by the introduction date of May 2018.

A number of the fundraising team are members of the Institute of Fundraising, the Chartered Institute of Marketing and the Direct Marketing Association.

# East Anglian Air Ambulance

## Trustees' Report (including Directors' Report and Strategic Report)

### Year ended 30 June 2017

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#### **Fundraising complaints**

The Charity has set up various communication routes for any supporter that wishes to get in touch regarding any form of complaint. All complaints are tracked and recorded on Datix, an online incident reporting system, with all details noted and acted upon.

In the year to 30 June 2017, EAAA received a small number of complaints relating to lottery canvassing (less than 0.02% of people contacted).

The Charity investigates every complaint that has created pressure, formed an intrusion or been deemed unreasonably persistent in the eyes of the supporter or their friends and family. The complaints policy is published on the Charity's website.

#### **Equal opportunities**

EAAA is committed to ensuring equal opportunities, fairness of treatment, dignity, work-life balance and the elimination of all forms of discrimination in the workplace for all. The Charity aims to create a working environment in which all individuals are able to make best use of their skills, free from discrimination or harassment, and in which all decisions are based on merit. This commitment extends to staff, applicants, volunteers and contractors engaged in the work of the Charity.

#### **Environmental management**

EAAA is committed to minimising any harmful impact it has on the environment and works closely with its service providers, contractors and stakeholders.

The Charity aims to:

- (i) create an environment which encourages sustainability including ongoing development and training of its people
- (ii) reduce consumption of resources and improving efficiency in the use of these
- (iii) manage waste in line with environmental legislation and codes of practice

#### **Regulatory bodies**

The Charity is subject to regulation by the Care Quality Commission, Civil Aviation Authority, Charity Commission, Gambling Commission, Information Commissioner and the Fundraising Regulator.

#### **Key performance indicators**

<b>Category</b>	<b>2017</b>	<b>2016</b>
Total Missions	3,004	2,046
Total Patients	1,742	1,377
<b>Counties (Missions)</b>		
Norfolk	1,175	785
Suffolk	445	293
Cambridgeshire	548	445
Bedfordshire	197	120
Essex	333	232
Hertfordshire	291	163
Other	15	8
	<b>3,004</b>	<b>2,046</b>
<b>Incident Types (Patients)</b>		
Cardiac Arrests	442	356
Road Traffic Collisions	485	389
Falls	213	140
General Medical Conditions	349	204
Other	253	288
	<b>1,742</b>	<b>1,377</b>



# East Anglian Air Ambulance

## Trustees' Report (including Directors' Report and Strategic Report)

**Year ended 30 June 2017**

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### Strategic Report

#### Achievements and performance

As a Charity focused on delivering the best outcomes for patients in the pre-hospital environment, the primary indicators of performance are around incidents attended during the year.

Since last year's Report, The Trustees are pleased to report that the majority of the 'plans for the future' have been realised and their themes continue to drive the development of the Charity.

#### Charity achievements

In March 2016 the Charity published a Five-Year Strategy which had three core strands:

- To significantly and demonstrably improve patient outcomes;
- To be financially sustainable; and
- To ensure that EAAA is consistently held in high regard

In March 2017 the Trustees reviewed progress against that strategy and were content with progress and that the Charity should continue to follow it.

The following highlights of the financial year reflect these core strands.

#### *Improving patient outcomes*

The year began with the introduction of an additional single-CCP (Critical Care Paramedic) shift four nights a week from Norwich using the Rapid Response Vehicle (RRV). This not only provided additional advanced clinical care resource but also allowed the Operations team to gain insights into the level of unmet need for a critical care team at night in the north of the region. As a result the Trustees are considering proposals to gradually extend the service from Norwich.

This was also the first full reporting year with both bases operating the new, larger and longer-endurance Airbus H145 helicopter which has, among other benefits, enabled multiple missions before needing to refuel.

The Charity has seen a significant increase in callouts & patients treated, from 2,046 and 1,377 respectively in the year to 30 June 2016 to 3,004 and 1,742 in the year to 30 June 2017, an increase in missions of 47% and a 27% increase in numbers of patients treated. This is due to several factors including greater availability and better tasking by the ambulance service.

On Saturday 13 May the Charity recorded its busiest day ever with 17 callouts across the two bases.

The patient aftercare function, which came into being at the beginning of the financial year, has seen significant uptake, engaging 276 patients during the year. This service helps patients or bereaved families understand the incident itself and come to terms with its impact, signposting support services where possible.

In May 2017 two new Land Rover Discovery Sport SUVs were acquired as frontline RRVs to replace the ageing and smaller Skoda Octavia Scouts. The purchase was in part made possible through a generous grant from the Alborada Trust of Newmarket. The RRVs provide options where the incident is close to the base or in conditions where the helicopter is unavailable.

During the year the clinical governance and on-call consultant advice service for clinical crews at scene was brought in-house, and this delivered an improved, more relevant, service while also reducing costs significantly.

In January, Beriplex was introduced to the drugs inventory. Beriplex reverses the effect of anticoagulant drugs such as Warfarin to allow blood to clot. With an increasing number of elderly trauma patients (suffering falls in the home), this has expanded the Charity's capability, although at a significant financial cost.

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To help the critical care teams in 'on the job' learning and self-reflection, body-worn video cameras (BWVC) were introduced for the Norwich crews on a trial basis. The BWVCs also offer GPS location and time stamps helping the team to review many aspects of the incident, time being of the essence in all cases.

During the year the Charity established a data-sharing relationship with the Major Trauma Centre, Cambridge University Hospital (Addenbrooke's). The plan is to extend this with hospitals around the region as a means of further collating patient outcome data for analysis.

An example of insightful data is that recently received from Papworth hospital. The UK average 'go home well' after cardiac arrest is about 10% (source OHCA consensus paper Oct 2015) with evidence of lower results in the East of England. Over a two-year period, EAAA took 27 cardiac arrest patients to Papworth Hospital of whom 18 (66%) returned home well. The common factors were: early bystander CPR, early use of a defibrillator and early attendance of the critical care team (EAAA).

This data has given added impetus to encourage the uptake of CPR training among the general public. To this end links have been established with schools interested in providing CPR training to pupils and with national heart charities to support moves to add CPR to the PHSE curriculum nationally. The Charity has also started delivering commercial training for both certificated First Aid at Work and short Basic Life Support courses.

#### ***Financially sustainable***

The Charity's financial position has continued to improve and is strong. Further details are given in the Financial Review later in this report. Income at £12.8m was £1.7m ahead of budget and expenditure at £10.3m was £0.7m less than budget. Reserves at 30 June 2017 were £17.5m including the Planned Capital Expenditure Fund of £2.9m which is being built up to partially fund a new Norwich base. This enables EAAA to look to the future from a position of financial security. The Trustees are incredibly grateful to all the Charity's supporters across the community who enable this service to continue and grow.

Highlights of the year include the EAAA flagship branded off-road obstacle course race 'Only The Brave' which was held over two days and generated income of £195k with some 1,200 participants and a significant number of corporate partners.

The Charity was the recipient of numerous legacies during the year, including two of particular note. The late Richard Allen bequeathed a very rare Nembo Spyder Ferrari which was sold at auction in March for £530k. A legacy of almost £1m was received from the estate of the late Anne Pulley. Legacies form a vital and growing part of the Charity's income and underpin developments in the Charity's service capabilities.

The EAAA lottery continues to generate the largest single element of the Charity's income, attracting an increasing number of players and supporters. During the year trials began on new sources of income with encouraging success. The long-term aim is to reduce dependence on the lottery by developing further new sources of income.

To assist the Director of Fundraising the Trustees approved the appointment of three senior members of the fundraising team, specialists in community fundraising, direct marketing and major donors.

#### ***Held in high regard***

In simple terms, work with patients is at the core of the Charity's reputation but there are many other aspects of its work that underpin its reputation and encourage the support of the community.

All Charity staff have successfully completed a one-day certificated First Aid at Work training programme and an online Information Governance training programme. Every member of staff is therefore prepared to play a part, however small, in meeting EAAA's charitable objects of 'doing the best for every patient in our region' and in ensuring patient confidentiality in accordance with the Caldicott Principles.

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### **Year ended 30 June 2017**

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At the annual awards ceremony for the national trade body the Association of Air Ambulances, EAAA nominations were successful for Pilot of the Year, Volunteer of the Year and a lifetime achievement award for Medical Director Alastair Wilson.

In operational terms the Charity strengthened its links with other Air Ambulance operations including London, North West, Essex & Herts, Magpas Air Ambulance, Wales, Northern Ireland and Kent, Surrey & Sussex. EAAA seek to share expertise and to operate as part of a system in support of our ambulance service 'customers' which dispatch us.

The Charity met its obligations to the community of being open and accountable by holding four well-attended Annual Meetings in November 2016, hosted by Trustees and Directors.

EAAA is also strengthening its links with the USAF at RAF Lakenheath and RAF Mildenhall, improving communication and working towards sharing expertise.

The Charity was honoured to welcome Her Majesty The Queen with HRH the Duke of Edinburgh who graciously performed the Opening of the new Cambridge base in July 2016, with Capt. William Wales as one of the duty pilots that day.

### **Financial Review**

#### **Financial review and results for the year**

The total income for the year was £12.8m, an increase of £2.0m on 2016.

As explained earlier in this report, the Charity will be receiving £530k following the sale of a Nembo Spyder Ferrari bequeathed to the Charity by the late Richard Allen. Following discussions with the Executor the Trustees have agreed that the proceeds should be set aside in a separate Designated Fund for specific purposes which have yet to be determined.

In accordance with the accounting policy referred to on page 22, £617k (2016 - £581k), being 25% of other legacy income, has been credited to the Designated Planned Capital Expenditure Fund.

Voluntary income other than from legacies totalled £3,790k (2016 - £3,037k) of which £974k (2016 - £364k) related to restricted income, comprising a Government grant of £840k from the LIBOR Fines Fund (2016 - £267k) towards the additional costs of operating the new Norwich aircraft and donations of £134k (2016 - £97k).

Expenditure totalled £10.3m, an increase of £1.2m on 2016. £800k of the increase related to helicopter operational costs arising from the two new aircraft which came into service in 2015 and 2016.

Trading income from the lottery, raffle and sale of merchandise increased by £441k to £5.5m and costs have increased by £190k to £1.3m giving a net contribution of £4.2m.

Net income before unrealised gains on investment assets totalled £2.5m (2016 - £1.7m) and with investment gains of £754k (2016 - £794k) the Charity's funds increased by £3.3m (2016 - £2.5m) to £17.5m (2016 - £14.2m).

Transfers between the General, Designated and Restricted Funds are explained in note 16.

The value of the investment portfolio at 30 June 2017 was £13.6m (2016 - £10.4m). Cash and bank balances were £786k (2016 - £1,378k).

### **Principal sources of funding**

The Charity derives the majority of its income from voluntary donations and the lottery operated by its subsidiary company.

# East Anglian Air Ambulance

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#### Reserves

Free reserves are represented by investments and net current assets within the unrestricted funds of the Charity and comprise:

	2017 £	2016 £
Aircraft Leasing Fund	4,347,199	4,265,000
General Fund	<u>7,867,436</u>	<u>6,825,024</u>
At 30 June 2017	<u>12,214,635</u>	<u>11,090,024</u>

#### Aircraft Leasing Fund

It is the Trustees' policy that an amount, representing the cost of aircraft leasing for the next calendar year, be set aside in a special designated fund. The contract for the lease of the two helicopters expires in 2021 and current annual lease commitments amount to £4.3m. The total commitments to 2021 amount to approximately £20.5m.

#### General Fund

It is the Trustees' policy that free reserves within the General Fund should be held at a level of approximately equivalent to 12 months' expenditure, excluding helicopter leasing costs which are covered by the designated fund. The target level of reserves required amounts to approximately £7.1m. The Trustees consider it prudent to retain this level of reserves to enable the Charity to continue to operate in the event that:

- There is a temporary period of reduced income
- There is an unexpected increase in operational costs
- Unexpected management/overhead costs are incurred

In determining the level of reserves required the Trustees have considered:

- (i) 5 year budgets and cash flow forecasts.
- (ii) Risks / fluctuations relating income generation / fundraising - possibly resulting from lower levels of donations due to economic pressures or change in donor sentiment , changes in legislation relating to lottery canvassing or other external pressures.
- (iii) Unexpected operational costs such as the need for the recruitment of more doctors or the direct employment of Critical Care Paramedics.
- (iv) Future capital and revenue expenditure projects – otherwise than budgeted for from the Designated Fund. This would include new or enhanced services and possibly the purchase of an aircraft when a current lease expires.
- (v) Changes in Government policy relating to the provision of Air Ambulance services.
- (vi) Lease commitments - the helicopter and other operating lease commitments.
- (vii) The requirements of the CQC and other regulators.
- (viii) Stock market fluctuations.
- (ix) Other risks and unforeseen emergencies.

The free reserves in the General Fund at 30 June 2017 amounted to £7.9m (2016 - £6.8m). The Trustees intend to use any surplus in excess of the target level for improving the medical care of patients.

#### Planned Capital Expenditure Fund

In addition the Charity has a "designated" fund set aside from legacy and other income towards the cost of capital projects planned during the next five years.

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25% of all legacy income is credited directly to this fund, unless otherwise agreed with the Executors or the terms of the will state otherwise. The fund may also be enhanced by transfers from the General Fund, at the discretion of the Trustees, in order to build up sufficient reserves for particular planned projects. It is anticipated that the fund will make a substantial contribution to the cost of a new base in Norwich planned for 2018/19 by which time the Trustees estimate that the fund will have grown to approximately £3.5m.

	<b>£</b>
Fund balance at 1 July 2016	1,139,036
Transfer from the General Fund	1,000,000
25% of legacy income	<u>617,108</u>
Fund balance at 30 June 2017	<u>2,756,144</u>

#### Richard Allen Fund

The Charity is due to receive £530k following the sale of a Nembo Spyder Ferrari bequeathed to EAAA under the will of the late Richard Allen. The Trustees have agreed with the Executors that the proceeds be set aside in a separate Designated Fund for specific purposes which have yet to be determined.

#### Restricted Funds

Details of the restricted funds, which amounted to £35,058 at 30 June 2017, are shown in note 16 to the financial statements.

#### Investment policy

The Charity's reserves are held in investments and cash or deposit accounts.

A portion of these reserves have been identified as funds required to meet cash flow needs during the next 4 years including:

- (a) Working capital
- (b) Expenditure out of restricted funds
- (c) Planned capital expenditure

These reserves are held in cash, deposits or a managed portfolio of investments emphasizing minimal risk and access at short notice.

The remaining reserves are held in an investment portfolio to provide capital growth whilst also generating income to support the on-going activities of the Charity. Whilst the Trustees do not anticipate the need to realise the portfolio in the foreseeable future they consider that the investments should be capable of being realised within six months.

The key risk to the longer term reserves is stock market volatility and the assets are therefore invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that the capital value of these investments will fluctuate. The risk profile has been set as low to medium.

The Charity chooses to invest with reputable fund managers who specialise in charities and comply with normal ethical codes of funding.

The Finance Committee has the responsibility for recommending strategy and monitoring the performance of the investments which are held in pooled funds managed by BNY Mellon Fund Managers Limited, an authorised investment manager regulated by the FCA. The Committee reviews the information provided by the investment manager quarterly and reports to the Trustees who are responsible for decision making. The investment manager is required to present in person to the Committee on an annual basis.

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Professional advice is taken where appropriate on the investment of cash deposits. The amount of cash held in current accounts or deposit accounts with any one bank or institution is not to exceed £500k for more than three months.

#### Going concern

The Charity's financial position and performance have been outlined in the financial review above. The Trustees have assessed projected future income, expenditure and cash flows and analysed the strength of the Charity's reserves and liquid assets. Consideration has been given to stability and diversity of various income streams in making this assessment.

The Trustees conclude that there is reasonable expectation that the Charity and its subsidiary have adequate resources to continue their activities for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

#### Plans for the future

A year ago the Charity identified some key features of its plan which were to:

- (a) Continue to expand its collection and analysis of patient data.
- (b) Expand the aftercare team to include hospital liaison and data analysis capability.
- (c) Take part in a major trial on the efficacy of carrying 'blood on board' for transfusion purposes.
- (d) Evaluate the need for extended coverage in Norfolk through the deployment of a Rapid Response Vehicle crewed by a single Critical Care Paramedic during the night hours.
- (e) Explore ways of expanding the uptake of bystander CPR training across the region.
- (f) Launch a project to build a new administration and operating base in Norfolk.
- (g) Continue to focus on securing best value and maximum performance across the Charity, thus ensuring maximum resources are available for delivering front-line services.
- (h) Ensure that staff are well supported, with opportunities for development, and that key posts have succession planning in place.

The Charity's achievements during the financial year, covering the above and many other points, are noted earlier in this report.

Looking to the future, the Charity will continue with its Five-Year Strategy. In the financial year ahead and using the same numbering as above, EAAA plans to:

- (a) Recruit a data analyst to work with the clinical, operations and administration teams on securing data-sharing agreements with hospitals across the region and establishing data analysis protocols and systems.
- (b) Reshape the patient liaison team to focus solely on providing clinically-experienced aftercare support for patients and to establish a fixed term for support to encourage the patient to transition to independence.
- (c) Begin EAAA's part of the national 'blood on board' trial. This has taken much longer to get established at national level than originally envisaged but is still seen as essential to establishing the overall effect on patient outcomes.
- (d) Gradually extend the Charity's service towards a full 24/7 model, in discussion with colleagues and stakeholders at Essex & Herts Air Ambulance Trust, Magpas Air Ambulance and East of England Ambulance Service Trust to ensure that all evolve as part of a region-wide system that puts patient benefit first.
- (e) Launch a programme of commercial and not-for-profit First Aid at Work and Basic Life Support training, appealing to both employers and members of the public. EAAA will continue to encourage schools to offer short Basic Life Support (including CPR) activities and to support national heart charities in lobbying government to add such activities to the PHSE curriculum.

# East Anglian Air Ambulance

## Trustees' Report (including Directors' Report and Strategic Report)

### Year ended 30 June 2017

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- (f) Finalise plans to build a new operating base at or near Norwich Airport. It is hoped that construction work will commence in late 2018 and that the Charity will occupy the base in late 2019.
- (g) Always seek best value in every project, activity and transaction.
- (h) Continue to develop existing staff, recruit new qualified staff as required and plan for succession in senior posts.

The Charity is also exploring options for extending the available operating hours of the Cambridge helicopter. At present the helicopter is hangared overnight some distance from the operating base; it takes significant time at the beginning and end of the shift for the duty pilot (whose duty hours are controlled) to reposition the aircraft which reduces its service availability.

The Fundraising team will continue to explore and introduce new engaging sources of income, such as 'pop up' shops and major events such as the 'Glow in the Park' night fun run to be held in October 2017. The aim is to grow income to match service expansion and to reduce the proportion of income delivered by the lottery through door to door canvassing.

A major piece of work will be completed during the year to ensure that the Charity is fully compliant with the General Data Protection Regulations which come into force in May 2018. The intent is that EAAA is not only compliant but an exemplar in treating relationships with supporters with respect and honesty to ensure their trust is retained.

#### **Risk management**

The Charity has a comprehensive Risk Management Policy. The Risk Register is monitored each month by the Executive Team and is reviewed quarterly by the Finance Committee which reports to the Trustees.

Risks are categorised under the following headings:

- Operational, relating to the aircraft and the continuing provision of the air ambulance service
- Organisational and management, including governance, administration, financial, compliance with law and regulations, security
- Health and safety, including those which relate to the welfare of employees, volunteers and patients
- Fundraising
- Communications and reputational

Heads of department are responsible for ensuring that controls are established to mitigate risks through planning and operational decision making, management systems, insurance cover and special advice. All staff involved in decision making have successfully completed a programme of training in the Principles of Risk Assessment. The Charity uses Datix software to report and manage incidents, almost all of which result from one of the risks referred to above.

The major risks and uncertainties facing the Charity have been identified as being issues which would lead to a curtailment or cessation of the air ambulance service as a result of:

- A disruption (whether short, medium or long term) in the service availability of the aircraft resulting from technical fault, accident or grounding of all similar aircraft
- A fall in fundraising income
- The inability of the charity to meet clinical standards and respond to clinical issues

The Trustees are satisfied that, so far as is practicable, procedures and systems are in place to mitigate these risks and others identified in the risk assessment process.

# **East Anglian Air Ambulance**

## **Trustees' Report (including Directors' Report and Strategic Report)**

**Year ended 30 June 2017**

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### **Health and Safety**

EAAA is committed to promoting a positive safety culture throughout the Charity in accordance with its Health & Safety policies, procedures and risk assessments and all legislation.

The Charity will ensure that all operations are carried out in a way to remove and/or control any risk and ensure the health, safety and welfare of all its trustees, staff, volunteers, patients and all those that could be affected by activities.

### **Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Auditor**

A resolution to re-appoint Lovewell Blake LLP as auditor for the ensuing year will be proposed at the Annual General Meeting.

Signed by order of the Trustees on 14 December 2017.  
Major General Sir William Cubitt KCVO CBE (Chairman)



# East Anglian Air Ambulance

## Independent Auditor's Report to the Members of East Anglian Air Ambulance

**Year ended 30 June 2017**

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### Opinion

We have audited the financial statements of East Anglian Air Ambulance (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 30 June 2017 which comprise the Group Statement of Financial Activities (including the Income and Expenditure account), the Group and Parent Charitable Company Balance Sheets, the Group Statement of Cash Flows and 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2017, and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 group's or the parent 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

# **East Anglian Air Ambulance**

## **Independent Auditor's Report to the Members of East Anglian Air Ambulance**

**Year ended 30 June 2017**

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### **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 (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Annual Report (including the Strategic Report) has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (including the Strategic 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 kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

# **East Anglian Air Ambulance**

## **Independent Auditor's Report to the Members of East Anglian Air Ambulance**

### **Year ended 30 June 2017**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

MARK PROCTOR FCA DChA (Senior Statutory Auditor)

For and on behalf of  
Lovewell Blake LLP  
Chartered accountant and statutory auditor  
Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

Date: 8 January 2018

# East Anglian Air Ambulance

## Group Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 30 June 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>Income</b>					
Donations and legacies	2	5,889,563	974,217	6,863,780	5,359,262
Other trading activities	3	5,522,316	-	5,522,316	5,084,067
Investments	4	425,937	-	425,937	320,634
Other		3,619	-	3,619	9,988
<b>Total income</b>		<b>11,841,435</b>	<b>974,217</b>	<b>12,815,652</b>	<b>10,773,951</b>
<b>Expenditure</b>					
Raising funds	5	2,828,281	-	2,828,281	2,437,841
Charitable activities	6	6,629,250	850,880	7,480,130	6,625,330
<b>Total expenditure</b>		<b>9,457,531</b>	<b>850,880</b>	<b>10,308,411</b>	<b>9,063,171</b>
<b>Net income before gains on investments</b>		<b>2,383,904</b>	<b>123,337</b>	<b>2,507,241</b>	<b>1,710,780</b>
Net gains on investments	12	753,641	-	753,641	793,583
<b>Net income</b>		<b>3,137,545</b>	<b>123,337</b>	<b>3,260,882</b>	<b>2,504,363</b>
<b>Transfers between funds</b>	16	101,029	(101,029)	-	-
<b>Net movements in funds</b>		<b>3,238,574</b>	<b>22,308</b>	<b>3,260,882</b>	<b>2,504,363</b>
Total funds brought forward	16	14,201,508	12,750	14,214,258	11,709,895
Total funds carried forward	16	17,440,082	35,058	17,475,140	14,214,258

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

*The notes on pages 21 to 36 form part of these financial statements.*

# East Anglian Air Ambulance

## Group and Parent Charitable Company Balance Sheets

30 June 2017

Company number: 4066700

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<b>Fixed assets</b>					
Tangible assets	11	1,939,303	1,972,448	1,939,144	1,971,561
Investments	12	13,623,162	10,427,770	13,623,164	10,427,772
		15,562,465	12,400,218	15,562,308	12,399,333
<b>Current assets</b>					
Stocks	13	660	32,047	-	-
Debtors	14	2,713,796	2,185,183	2,528,245	1,995,246
Cash at bank and in hand		786,023	1,378,062	546,773	879,926
		3,500,479	3,595,292	3,075,018	2,875,172
<b>Creditors: Amounts falling due within one year</b>	15	(1,587,804)	(1,781,252)	(1,165,065)	(1,063,126)
<b>Net current assets</b>		1,912,675	1,814,040	1,909,953	1,812,046
<b>Total assets less current liabilities</b>		17,475,140	14,214,258	17,472,261	14,211,379
<b>Net assets</b>		17,475,140	14,214,258	17,472,261	14,211,379
Restricted funds	16	35,058	12,750	35,058	12,750
Unrestricted funds					
Designated funds	16	7,633,343	5,404,036	7,633,343	5,404,036
General fund	16	9,806,739	8,797,472	9,803,860	8,794,593
<b>Total Charity funds</b>		17,475,140	14,214,258	17,472,261	14,211,379

The financial statements were approved and authorised for issue by the Board on 14 December 2017.

Signed on behalf of the board of Trustees

Major General Sir William Cubitt KCVO CBE (Chairman)

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*The notes on pages 21 to 36 form part of these financial statements.*

# East Anglian Air Ambulance

## Group Statement of Cash Flows

Year ended 30 June 2016

	Note	Group 2017 £	Group 2016 £
<b>Net cash flow from operating activities</b>	<b>22</b>	<b>1,668,177</b>	<b>1,768,141</b>
<b>Cash flows from investing activities</b>			
Income received from investments		422,264	314,899
Receipts from sale of tangible fixed assets		38,500	100
Payments to acquire tangible fixed assets		(282,902)	(1,760,265)
Bank interest received		3,673	5,735
Purchase of investments		(2,441,751)	(291,900)
<b>Net cash flow from investing activities</b>		<b>(2,260,216)</b>	<b>(1,731,431)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(592,039)</b>	<b>36,710</b>
<b>Cash and cash equivalents at 1 July 2016</b>	<b>23</b>	<b>1,378,062</b>	<b>1,341,352</b>
<b>Cash and cash equivalents at 30 June 2017</b>		<b>786,023</b>	<b>1,378,062</b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		786,023	1,378,062
<b>Cash and cash equivalents at 30 June 2017</b>		<b>786,023</b>	<b>1,378,062</b>

*The notes on pages 21 to 36 form part of these financial statements.*

# East Anglian Air Ambulance

## Notes to the Financial Statements

Year ended 30 June 2017

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### 1. Summary of significant accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### (a) General information and basis of preparation

East Anglian Air Ambulance is a charitable company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these consolidated financial statements. The nature of the charity's operations and principal activities are to relieve sickness and injury by the provision of an air ambulance service.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Group financial statements

The financial statements consolidate the results of the Charity and its wholly owned subsidiary East Anglian Air Ambulance (Trading) Limited on a line by line basis. A separate Statement of Financial Activities, or Income and Expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

#### (c) Funds

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

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

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

#### (d) Income

All income is included in the Statement of Financial Activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

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

Legacies are included in the Statement of Financial Activities when the legacy has been received unless, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Charity received government grants towards the cost of constructing the Cambridge base and the additional cost of operating the new Norwich aircraft. Income from the government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, if it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

#### **(e) Legacies**

With effect from 1 July 2012 25% of all legacies received are credited directly to the Planned Capital Expenditure designated fund, unless otherwise agreed with the Executors or unless dictated under the terms of the will.

#### **(f) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure includes any VAT which cannot be recovered and is charged as an expense in the Statement of Financial Activities in the year in which it is incurred. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, if it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including merchandise and lottery.

Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, staff time or estimated usage as set out in notes 5 and 6.



# East Anglian Air Ambulance

## Notes to the Financial Statements

Year ended 30 June 2017

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### (g) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight line basis over the period in which the cost is incurred.

Amounts payable for the provision of the helicopter are charged to the Statement of Financial Activities in the period to which they relate.

### (h) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Plant & motor vehicles	- 20% straight line
Cambridge base	- 5% straight line
Medical & helicopter equipment	- 25% straight line
Fixtures, fittings & computers	- 33.3% straight line
Website	- 20% straight line

All items costing less than £500 are written off in the year of purchase.

### (i) Fixed asset investments

Fixed asset investments comprise shares held in the subsidiary company, East Anglian Air Ambulance (Trading) Limited, together with a portfolio of quoted investments in pooled funds managed by BNY Mellon Fund Managers Limited. The investment in the subsidiary company is included in the balance sheet at cost. Quoted investments are revalued to their fair value at the balance sheet date and the unrealised gain or loss is taken to the Statement of Financial Activities.

Investments in subsidiaries are measured at cost less impairment.

### (j) Stocks

Stocks are valued at the lower of cost and net realisable value.

Drugs and medical consumables are written off in the year of purchase.

### (k) Debtors

Trade debtors and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is valued at the amount due.

### (l) Cash at bank and in hand

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

### (m) Creditors and provisions

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

# East Anglian Air Ambulance

## Notes to the Financial Statements

**Year ended 30 June 2017**

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**(n) Redundancy**

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

**(o) Pensions**

The Charity operates a defined contribution pension scheme. The charge in the Statement of Financial Activities represents the contributions payable by the Charity during the year.

**(p) Tax**

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(q) Going concern**

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

**(r) Judgements and key sources of estimation uncertainty**

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

**(i) Accrued legacy income**

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

At 30 June 2017 the financial statements include accrued legacy income of £1,865,867 (2016 - £1,204,345).

**(s) 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 with the exception of listed investments which are subsequently measured at fair value.

# East Anglian Air Ambulance

## Notes to the Financial Statements

Year ended 30 June 2017

### 2. Income from donations and legacies

	2017			2016		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Collections & collecting tins	144,928	-	144,928	122,528	-	122,528
Third party & Charity events	1,241,191	-	1,241,191	1,125,252	-	1,125,252
Grants from trusts	119,550	-	119,550	49,590	-	49,590
Corporate donors	248,555	-	248,555	163,082	-	163,082
General donations	616,598	-	616,598	658,370	-	658,370
In memoriam	321,300	-	321,300	348,174	-	348,174
Gift Aid tax reclaimed	90,063	-	90,063	107,195	-	107,195
Circle of Benefactors	108,947	-	108,947	98,816	-	98,816
Donations towards Cambridge base	-	-	-	-	12,750	12,750
Government grant from LIBOR Fines Fund towards cost of operating new Norwich aircraft	-	840,000	840,000	-	266,856	266,856
Donations for medical equipment	-	124,087	124,087	-	68,874	68,874
Donations towards training	-	10,130	10,130	-	15,615	15,615
Legacies	2,998,431	-	2,998,431	2,322,160	-	2,322,160
	5,889,563	974,217	6,863,780	4,995,167	364,095	5,359,262

Donations for medical equipment include £24,966 received from The Alborada Trust for the purchase of one Rapid Response Vehicle.

### 3. Income from other trading activities

	2017			2016		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Lottery income	4,985,178	-	4,985,178	4,647,711	-	4,647,711
Raffle income	479,924	-	479,924	374,599	-	374,599
Merchandise income	56,355	-	56,355	58,307	-	58,307
Scratch card income	859	-	859	3,450	-	3,450
	5,522,316	-	5,522,316	5,084,067	-	5,084,067

### 4. Income from investments

	2017			2016		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Bank interest received	3,673	-	3,673	5,735	-	5,735
Dividends received	422,264	-	422,264	314,899	-	314,899
	425,937	-	425,937	320,634	-	320,634

# East Anglian Air Ambulance

## Notes to the Financial Statements

Year ended 30 June 2017

### 5. Analysis of expenditure on raising funds

	Costs of generating voluntary income £	Fundraising trading (lottery) £	Fundraising trading £	Total 2017 £	Total 2016 £
Fundraising & event costs	148,976	387,634	-	536,610	364,728
Lottery prizes	-	165,049	-	165,049	155,927
Canvassers' and agents' commission	-	482,231	-	482,231	455,230
Marketing and consultancy	15,347	14,424	-	29,771	25,236
Goods for resale	-	-	54,524	54,524	89,725
Staff costs	931,488	137,311	31,341	1,100,140	900,940
Premises establishment costs	85,918	8,598	6,420	100,936	91,725
Administration costs	153,967	122,946	3,532	280,445	284,797
Depreciation and profit/loss on disposal of fixed assets	55,743	8,096	14,736	78,575	69,533
<b>Total 2017 (unrestricted)</b>	<b>1,391,439</b>	<b>1,326,289</b>	<b>110,553</b>	<b>2,828,281</b>	<b>2,437,841</b>
Total 2016 (unrestricted)	1,158,343	1,136,336	143,162	2,437,841	

Costs are allocated directly or apportioned on the following basis:

Staff costs	Staff time
Premises establishment costs	Floor area
General office administration costs	Staff time
Training and recruitment costs	Staff time
Legal and professional	Time
Depreciation	Usage
Bank charges and interest	Transactions

# East Anglian Air Ambulance

## Notes to the Financial Statements

Year ended 30 June 2017

### 6. Analysis of expenditure on charitable activities

	Operational & support costs £	Governance costs £	Total 2017 £	Total 2016 £
Marketing and consultancy	28,997	-	28,997	40,451
Helicopter costs	5,135,551	-	5,135,551	4,327,787
Doctors' salaries and fees	714,513	-	714,513	711,853
Other staff costs	996,667	-	996,667	933,945
Medical consumable and other clinical costs	99,564	-	99,564	124,938
Premises establishment costs	51,535	239	51,774	60,866
Administration costs	218,578	35,515	254,093	261,820
Depreciation and profit/loss on disposal of fixed assets	198,971	-	198,971	163,670
	<b>7,444,376</b>	<b>35,754</b>	<b>7,480,130</b>	<b>6,625,330</b>
Restricted	850,880	-	850,880	
Unrestricted	6,593,496	35,754	6,629,250	
<b>Total 2017</b>	<b>7,444,376</b>	<b>35,754</b>	<b>7,480,130</b>	
Restricted	275,721	-	275,721	
Unrestricted	6,304,145	45,464	6,349,609	
<b>Total 2016</b>	<b>6,579,866</b>	<b>45,464</b>	<b>6,625,330</b>	

Costs are allocated directly or apportioned on the following basis:

Staff costs	Staff time
Premises establishment costs	Floor area
General office administration costs	Staff time
Training and recruitment costs	Staff time
Legal and professional	Time
Depreciation	Usage
Bank charges and interest	Transactions

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

#### 7. Net income for the year

Net income is stated after charging:	2017 £	2016 £
Depreciation of tangible assets	280,746	222,839
Loss on disposal of tangible assets	(3,199)	10,364
Operating lease rentals - helicopter standing charges	4,216,382	3,605,431
Operating lease rentals - other	77,653	101,525

#### 8. Auditor's remuneration

	2017 £	2016 £
Audit of the Charity's annual financial statements	11,300	11,000
Audit of the subsidiary company's annual financial statements	6,550	6,350
Professional services	11,147	7,828
	<u>28,997</u>	<u>25,178</u>

#### 9. Trustees' and key management personnel remuneration and expenses

The Trustees did not receive any remuneration from the Charity during the year or in the previous year.

One member of the Board received expenses in the course of their duties during the year in respect of travel and subsistence totalling £240 (2016 - three members received expenses totalling £6,596).

The total amount of employee benefits received by key management personnel was £424,497 (2016 - £453,981). The Trustees consider the key management personnel to be the CEO and three directors (2016 - four directors).

#### 10. Staff costs and employee benefits

The average number of contracted employees and full time equivalent (FTE) during the year was as follows:

	2017 No.	2016 No.	2017 FTE No.	2016 FTE No.
Operations	9	9	9	8
Doctors	9	2	2	1
Lottery	5	5	4	4
Fundraising	31	27	25	22
Communications and marketing	3	5	3	5
Administration	14	12	12	10
	<u>71</u>	<u>60</u>	<u>55</u>	<u>50</u>

The total staff costs and employees benefits were as follows:

	2017 £	2016 £
Wages and salaries	1,879,669	1,535,250
Social security costs	183,431	146,608
Pension contributions	85,932	73,963
Life insurance	16,178	7,995
	<u>2,165,210</u>	<u>1,763,816</u>

The aggregate ex-gratia redundancy payments during the year totalled £15,724 (2016 - £795).

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

The number of employees who received total employee benefits (excluding pension contributions) of more than £60,000 was as follows:

	2017 No.	2016 No.
£60,000 to £70,000	2	1
£80,000 to £90,000	1	1
£160,000 to £170,000	1	1

### 11. Tangible fixed assets - Group

	Plant & motor vehicles £	Cambridge base £	Fixtures, fittings and computers £	Medical & helicopter equipment £	Total £
<b>Cost</b>					
At 1 July 2016	341,950	1,533,818	347,957	405,346	2,629,071
Additions	70,278	10,127	84,794	117,703	282,902
Disposals	(96,279)	-	-	-	(96,279)
<b>At 30 June 2017</b>	<b>315,949</b>	<b>1,543,945</b>	<b>432,751</b>	<b>523,049</b>	<b>2,815,694</b>
<b>Depreciation</b>					
At 1 July 2016	123,776	42,744	278,131	211,972	656,623
Charge for the year	70,445	76,433	40,534	93,334	280,746
Eliminated on disposals	(60,978)	-	-	-	(60,978)
<b>At 30 June 2017</b>	<b>133,243</b>	<b>119,177</b>	<b>318,665</b>	<b>305,306</b>	<b>876,391</b>
<b>Net book value</b>					
<b>At 30 June 2017</b>	<b>182,706</b>	<b>1,424,768</b>	<b>114,086</b>	<b>217,743</b>	<b>1,939,303</b>
At 30 June 2016	218,174	1,491,074	69,826	193,374	1,972,448

### Tangible fixed assets - Charity

	Plant & motor vehicles £	Cambridge base £	Fixtures, fittings and computers £	Medical & helicopter equipment £	Total £
<b>Cost</b>					
At 1 July 2016	341,950	1,533,818	337,293	405,348	2,618,409
Additions	70,278	10,127	84,794	117,703	282,902
Disposals	(96,279)	-	-	-	(96,279)
<b>At 30 June 2017</b>	<b>315,949</b>	<b>1,543,945</b>	<b>422,087</b>	<b>523,051</b>	<b>2,805,032</b>
<b>Depreciation</b>					
At 1 July 2016	123,776	42,744	268,356	211,972	646,848
Charge for the year	70,445	76,433	39,806	93,334	280,018
Eliminated on disposals	(60,978)	-	-	-	(60,978)
<b>At 30 June 2017</b>	<b>133,243</b>	<b>119,177</b>	<b>308,162</b>	<b>305,306</b>	<b>865,888</b>
<b>Net book value</b>					
<b>At 30 June 2017</b>	<b>182,706</b>	<b>1,424,768</b>	<b>113,925</b>	<b>217,745</b>	<b>1,939,144</b>
At 30 June 2016	218,174	1,491,074	68,937	193,376	1,971,561

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

#### 12. Fixed asset investments

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Valuation at 1 July 2016	10,427,770	9,342,287	10,427,770	9,342,287
Investment in subsidiary at 1 July 2016	-	-	2	2
Additions at cost	2,441,751	291,900	2,441,751	291,900
Net gain on revaluation	753,641	793,583	753,641	793,583
<b>Valuation at 30 June 2017</b>	<b>13,623,162</b>	<b>10,427,770</b>	<b>13,623,164</b>	<b>10,427,772</b>
<b>Investments at fair value comprise:</b>				
Equities	13,623,162	10,427,770	13,623,162	10,427,770
<b>Total</b>	<b>13,623,162</b>	<b>10,427,770</b>	<b>13,623,162</b>	<b>10,427,770</b>

Investments at fair value represent the investments in the Newton Real Return Fund and the Newton Growth and Income Fund For Charities. The fair value is determined by reference to the market value at the balance sheet date.

The Charity holds 2 shares of £1 each in its wholly owned subsidiary company East Anglian Air Ambulance (Trading) Limited (company number 04136827) which is incorporated in the United Kingdom. The company runs a lottery, operates Grand Raffle Draws and sells merchandise. The profits of the company are donated to the East Anglian Air Ambulance by Gift Aid.

The summary financial performance of the subsidiary alone is:

	2017 £	2016 £
Turnover	5,522,277	5,084,067
Expenditure	(1,340,203)	(1,197,410)
Bank interest receivable	528	1,303
Profit	<b>4,182,602</b>	<b>3,887,960</b>
Amount donated to East Anglian Air Ambulance by Gift Aid	<b>4,182,602</b>	<b>3,887,960</b>
Net assets	<b>2,881</b>	<b>2,881</b>

#### 13. Stocks

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Retail goods for resale	660	32,047	-	-
	<b>660</b>	<b>32,047</b>	<b>-</b>	<b>-</b>

£54,524 (2016 - £89,725) of retail goods for resale was recognised as an expense during the period and has been charged to the Statement of Financial Activities.



# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

#### 14. Debtors

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade debtors	1,848	8,097	1,819	5,100
Amount due from subsidiary undertakings	-	-	-	8,668
Other debtors	2,246	5,570	2,298	2,298
VAT	40,235	19,166	39,778	17,483
Prepayments	579,351	642,026	498,343	451,373
Accrued income	2,090,116	1,510,324	1,986,007	1,510,324
	<u>2,713,796</u>	<u>2,185,183</u>	<u>2,528,245</u>	<u>1,995,246</u>

#### 15. Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	210,587	920,117	146,226	833,618
Amount due to subsidiary undertakings	-	-	175,221	-
Taxation and social security	56,994	47,702	56,994	47,702
Accruals and deferred income	1,318,393	811,543	784,794	179,916
Other creditors	1,830	1,890	1,830	1,890
	<u>1,587,804</u>	<u>1,781,252</u>	<u>1,165,065</u>	<u>1,063,126</u>

Included within accruals and deferred income is £431,214 (2016 - £485,986) relating to income from lottery ticket sales and £92,158 (2016 - £133,075) relating to advance raffle tickets for the draw held in July 2017. These amounts relate to monies received before the year end for draws held at later dates. Deferred income from 2016 of £620,021 has been credited to the SOFA during the year.

#### 16. Analysis of charitable funds

##### Analysis of movements in unrestricted funds

##### Year ended 30 June 2017

	Balance at 1 July 2016 £	Income £	Expenditure £	Transfers £	Investment gains £	Balance at 30 June 2017 £
General Fund	8,797,472	10,694,327	(9,457,531)	(981,170)	753,641	9,806,739
Designated Aircraft Leasing Fund	4,265,000	-	-	82,199	-	4,347,199
Designated Planned Capital Expenditure Fund	1,139,036	617,108	-	1,000,000	-	2,756,144
Designated Richard Allen Fund	-	530,000	-	-	-	530,000
	<u>14,201,508</u>	<u>11,841,435</u>	<u>(9,457,531)</u>	<u>101,029</u>	<u>753,641</u>	<u>17,440,082</u>

During the year £1,000,000 was transferred to the Planned Capital Expenditure Fund from the General Fund towards the cost of the new Norwich Base. A transfer of £82,199 was made from the General Fund to the Designated Aircraft Leasing Fund.

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

#### Year ended 30 June 2016

	Balance at 1 July 2015 £	Income £	Expenditure £	Transfers £	Investment gains £	Balance at 30 June 2016 £
General Fund	5,378,007	9,829,315	(8,787,450)	1,584,017	793,583	8,797,472
Designated Aircraft Leasing Fund	4,140,000	-	-	125,000	-	4,265,000
Designated Planned Capital Expenditure Fund	1,824,495	580,541	-	(1,266,000)	-	1,139,036
	<b>11,342,502</b>	<b>10,409,856</b>	<b>(8,787,450)</b>	<b>443,017</b>	<b>793,583</b>	<b>14,201,508</b>

During the year ended 30 June 2016 £1,266,000 was transferred from the Planned Capital Expenditure Fund to the General Fund towards the cost of the new Cambridge Base. A transfer of £125,000 was made from the General Fund to the Designated Aircraft Leasing Fund.

#### Analysis of movements in restricted funds

#### Year ended 30 June 2017

	Balance at 1 July 2016 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2017 £
Medical Equipment Fund	6,000	124,087	-	(101,029)	29,058
Training Fund	6,750	10,130	(10,880)	-	6,000
Aircraft operating cost Fund	-	840,000	(840,000)	-	-
	<b>12,750</b>	<b>974,217</b>	<b>(850,880)</b>	<b>(101,029)</b>	<b>35,058</b>

#### Year ended 30 June 2016

	Balance at 1 July 2015 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2016 £
Medical Equipment Fund	36,517	68,874	-	(99,391)	6,000
Addenbrooke's Hospital Helipad Appeal Fund	50,757	-	-	(50,757)	-
Training Facility Fund (Aviva plc)	25,119	-	-	(25,119)	-
Cambridge Base Fund	255,000	12,750	-	(267,750)	-
Training Fund	-	15,615	(8,865)	-	6,750
Aircraft operating cost Fund	-	266,856	(266,856)	-	-
	<b>367,393</b>	<b>364,095</b>	<b>(275,721)</b>	<b>(443,017)</b>	<b>12,750</b>

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

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#### Fund descriptions

##### (a) General funds

These represent the “free reserves” of the group excluding designated funds.

##### (b) Designated funds

###### Aircraft Leasing Fund

The fund represents the cost of aircraft leasing commitments for the year ending 30 June 2018. The Charity has entered into a contract for the lease of two state-of-the-art helicopters which expires in 2021. If the Charity has insufficient funds to enable it to pay the lease costs, the contract may be terminated with demobilisation charges, equivalent to no more than 6 months' leasing costs, being applied. However, the Trustees consider it prudent to set aside 12 months leasing costs in a separate designated fund.

###### Planned Capital Expenditure Fund

In addition the Charity has a “designated” fund set aside from legacy and other income towards the cost of capital projects planned during the next five years.

25% of all legacy income is credited directly to this fund, unless otherwise agreed with the Executors or the terms of the will state otherwise. The fund may also be enhanced by transfers from the General Fund, at the discretion of the Trustees, in order to build up sufficient reserves for particular planned projects. It is anticipated that the fund will make a substantial contribution to the cost of a new base in Norwich planned for 2018/19 by which time the Trustees estimate that the fund will have grown to approximately £3.5m.

	£
Fund balance at 1 July 2016	1,139,036
Transfer from the General Reserve	1,000,000
25% of legacy income	617,108
Fund balance at 30 June 2017	<u>2,756,144</u>

###### Richard Allen Fund

This fund represents a legacy of £530,000 following the sale of a Nembo Spyder Ferrari bequeathed to EAAA under the will of the late Richard Allen. The Trustees have agreed with the Executors that the proceeds be set aside in a separate Designated Fund for specific purposes which have yet to be determined.

##### (c) Restricted funds

###### Medical Equipment Fund

This fund represents donations received towards the purchase of medical equipment. The majority of equipment has been purchased and the cost transferred back to unrestricted funds leaving a balance carried forward of £29,058.

###### Training Facility Fund (Aviva plc)

This fund represented a corporate donation received towards the cost of a training facility. The fund was used during the prior year to purchase assets for training purposes and the cost was transferred to unrestricted funds.

###### Training Fund

This fund represents donations received towards training costs. The majority of this fund was spent during the year leaving a balance carried forward of £6,000.

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

#### 17. Analysis of group net assets between funds

##### At 30 June 2017

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Fixed asset investments	6,519,819	7,103,343	-	13,623,162
Tangible fixed assets	1,939,303	-	-	1,939,303
Stock	660	-	-	660
Debtors	2,183,796	530,000	-	2,713,796
Bank	750,965	-	35,058	786,023
Creditors	(1,587,804)	-	-	(1,587,804)
Fund balances at 30 June 2017	9,806,739	7,633,343	35,058	17,475,140

##### At 30 June 2016

	General Fund £	Designated Funds £	Restricted Funds £	Total £
Fixed asset investments	5,023,734	5,404,036	-	10,427,770
Tangible fixed assets	1,972,448	-	-	1,972,448
Stock	32,047	-	-	32,047
Debtors	2,185,183	-	-	2,185,183
Bank	1,365,312	-	12,750	1,378,062
Creditors	(1,781,252)	-	-	(1,781,252)
Fund balances at 30 June 2016	8,797,472	5,404,036	12,750	14,214,258

#### 18. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Land & buildings 2017 £	Aircraft 2017 £	Land & buildings 2016 £	Aircraft 2016 £
Operating leases expiring:				
Not later than one year	46,282	4,347,199	44,684	4,220,582
Later than one and not later than five years	11,604	16,144,269	41,763	18,419,018
Later than five years	-	-	-	2,072,450
	57,886	20,491,468	86,447	24,712,050

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

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#### 19. Trustees indemnity insurance

During the year the Charity purchased an insurance policy which is designed specifically for Charity Trustees. The cost of this policy for the year was £6,660 (2016 - £5,020).

#### 20. Company status

The Company is limited by guarantee. In the event of winding up, each member is liable to contribute a sum not exceeding £1.

#### 21. Surplus of the Charity (parent company)

A surplus of £3,260,882 (2016 - £2,504,363) has been recognised in the accounts of the Charity. The Charity is not required to produce its own profit and loss account because of the exemption provision in Section 408 of the Companies Act 2006.

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

	<b>Group 2017 £</b>	<b>Group 2016 £</b>
Net income for the year	3,260,882	2,504,363
Income received from investments	(422,264)	(314,899)
Depreciation of tangible fixed assets	280,746	222,839
Net gains on investments	(753,641)	(793,583)
Bank interest received	(3,673)	(5,735)
(Profit)/loss on disposal of tangible fixed assets	(3,199)	10,364
Decrease in stocks	31,387	25,709
(Increase) in debtors	(528,613)	(309,308)
(Decrease)/increase in creditors	(193,448)	428,391
Net cash flows from operating activities	<u>1,668,177</u>	<u>1,768,141</u>

#### 23. Reconciliation of net cash flow movement to movement in net funds

	<b>Group 2017 £</b>	<b>Group 2016 £</b>
(Decrease)/increase in cash in the period & change in net funds	(592,039)	36,710
Net funds at 1 July 2016	<u>1,378,062</u>	<u>1,341,352</u>
Net funds at 30 June 2017	<u>786,023</u>	<u>1,378,062</u>

# East Anglian Air Ambulance

## Notes to the Financial Statements

### Year ended 30 June 2017

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#### 24. Related party transactions

The company has taken advantage of the exemptions conferred by FRS 102 not to make disclosures regarding transactions with East Anglian Air Ambulance (Trading) Limited.

During the year the Charity received donations totalling £2,680 (2016 - £6,290) from Trustees and charitable trusts with whom they are associated.

During the year the Charity purchased services amounting to £2,916 from Hansells Solicitors and Financial Advisers, a business in which R S Holden has an interest.

The Only The Brave event was held on the Elveden Estate, near Thetford, in which The Earl of Iveagh DL has an interest. No rent was paid for the use of this venue.

#### 25. Financial instruments

The carrying amounts of the group and charity's financial instruments are as follows:

	<b>Group 2017 £</b>	<b>Group 2016 £</b>	<b>Charity 2017 £</b>	<b>Charity 2016 £</b>
<b>Financial assets</b>				
Measured at fair value through net income	13,623,162	10,427,770	13,623,164	10,427,772
Debt instruments measured at amortised cost	228,343	319,646	124,257	322,045
<b>Financial liabilities</b>				
Measured at amortised cost	(388,849)	(1,065,584)	(489,482)	(966,519)