

**The Dorset & Somerset Air Ambulance Charity**  
(A Charitable Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31 March 2019**

Company Number: 03893356  
Charity Registered in England and Wales Number: 1078685

**The Dorset & Somerset Air Ambulance Charity**  
Contents  
For the Year Ended 31 March 2019

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## **The Dorset & Somerset Air Ambulance Charity**

Reference and Administrative Details

For the Year Ended 31 March 2019

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<b>Trustee Directors</b>	Dr G Bryce (Chair) M Gallagher S Jones R Kennedy H Nobbs A Phillips R Popper D Senior G Taylor
<b>Secretary</b>	C Launchbury
<b>Chief Executive Officer</b>	W Sivewright
<b>Deputy Chief Executives/ Finance Managers</b>	C Routley J Plowden
<b>Lottery Manager</b>	C Guy
<b>Charity Number</b>	1078685
<b>Company Number</b>	03893356
<b>Principal Address and Registered Office</b>	Landacre House Castle Road Chelston Business Park Wellington Somerset TA21 9JQ
<b>Auditors</b>	Albert Goodman LLP Mary Street House Mary Street Taunton Somerset TA1 3NW
<b>Bankers</b>	National Westminster Bank Plc South West RCSC 740 Waterside Drive, Aztec West Almondsbury, BS99 5BD  Virgin Money Jubilee House Gosforth Newcastle upon Tyne, NE3 4PL

## **The Dorset & Somerset Air Ambulance Charity**

Reference and Administrative Details

For the Year Ended 31 March 2019

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Shawbrook Bank Limited  
Lutea House  
Warley Hill Business Park  
The Drive Great Warley  
Brentwood  
Essex, CM13 3BE

Cambridge & Counties Bank  
Charnwood Court  
5B New Walk  
Leicester, LE1 6TE

Close Brothers Treasury  
4<sup>th</sup> Floor, 10 Crown Place  
London, EA2A 4FT

Dudley Building Society  
7 Harbour Buildings  
The Waterfront  
Brierley Hill, DY5 1LN

Hampshire Trust Bank  
Savings  
PO Box 74003  
London, EC2P 2QR

Hodge Bank  
One Central Square  
Cardiff, CF10 1FS

United Trust Bank Limited  
One RopeMaker Street  
London, EC2Y 9AW

Aldermore  
6<sup>th</sup> Floor, The Monument Building  
11 Monument Street  
London, EX3R 8AF

### **Investment Advisors**

Rathbones Investment Management  
The Senate, Southernhay Gardens  
Exeter, Devon, EX1 1UG

Smith & Williamson  
Portwall Place  
Portwall Lane  
Bristol, BS1 6NA

Quilter Cheviot Limited  
Queens Quay  
33- 35 Queens Square  
Bristol, BS1 4LU

## **The Dorset & Somerset Air Ambulance Charity**

### **Trustee Directors' Report**

**For the Year Ended 31 March 2019**

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The Trustees, who are also directors of the Charity for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 31 March 2019. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Charity's governing document and the Statement of Recommended Practice (SORP FRS 102- implemented 1 January 2015).

The full name of the Charity is The Dorset & Somerset Air Ambulance Charity. It was incorporated 13 December 1999 as a company limited by guarantee. Its company registration number is 03893356. Its Charity registration number is 1078685. The registered office is Landacre House, Castle Road, Chelston Business Park, Wellington, Somerset, TA21 9JQ.

### **References and Administrative Details**

Administrative information is given in a separate section at the front of these accounts.

### **Directors and Trustees**

The directors of the Company are the Charity's trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year-end are as follows:

- Dr G Bryce (Chair)
- M Gallagher
- S Jones (appointed 13 June 2018)
- R Kennedy
- M Laver (resigned 20 March 2019)
- H Nobbs
- A Phillips
- R Popper
- D Senior
- G Taylor

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of a winding up.

### **Structure Governance and Management**

#### Governing Document

The Dorset & Somerset Air Ambulance Charity (DSAA) is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association. It has a dormant subsidiary company, Dorset & Somerset Air Ambulance (Trading) Limited (Company registration number 03861464).

## The Board

DSAA is controlled by a Board of Trustees embracing a balanced spectrum of skills and experience including healthcare, aviation, legal, business, finance, the Armed Forces, charities and local affairs. The Charity follows a defined protocol for the recruitment of new Trustees which facilitates both personal referrals and professional recruitment. The protocol enables both Trustees and candidates to make proper assessments before appointment. Trustees are appointed in accordance with the DSAA constitution, in line with a defined procedure and fulfil their responsibilities in accordance with clearly defined and approved Terms of Reference. The Board comprises a Chair and up to twelve other trustees. It has two sub committees responsible respectively for staffing and remuneration and finance. It is policy to maintain a balance in county representation on the Board.

The Board maintains close liaison with South Western Ambulance Services NHS Foundation Trust (SWASFT) on all aspects of medical provision and governance and with Specialist Aviation Services on all aviation matters. These two bodies are directly involved in the operational governance of all charitable activities and, through the executive, provide the Board with professional advice on all operational matters.

## Risk Management

The principal risks to which the Charity is exposed are set out in its Risk Management Strategy which is supported by a Risk Matrix which includes all identified risks. The matrix presents an overview of the identified risks' status, including the probability and impact of occurrence, mitigation measures and the person responsible for managing the risk. The Strategy is reviewed by the Executive on an annual basis and by the Board on a three-yearly cycle unless there has been a significant change. The Risk Matrix is reviewed quarterly, at each meeting of the Board, newly identified risks added or risk-scores revalued. In this way the Board maintains oversight of identified risks and can satisfy itself that proper measures and systems are in place to mitigate or eliminate those risks and that appropriate insurance cover is obtained. The frequency of this review ensures that trends can be identified early and that contemporary external issues that might affect the risk status for the Charity can be considered and addressed in a timely fashion.

## Employees and Volunteers

The Charity is managed by full and part-time staff of 18 (14 full time equivalent), including 4 fundraisers. The day-to-day management of the charity and its finances is delegated to the key management personnel, who the Trustees consider to be the Chief Executive Officer, the Deputy Chief Executive Officer/Finance Managers and the Lottery Manager.

## Remuneration of Key Personnel

The Staffing and Remuneration Committee, consisting of the Chair and 2 Trustees, is responsible to the Board for an annual review of the staffing levels, contracted terms of engagement and remuneration levels of all salaried staff of DSAA. Salary levels for all staff are considered in line with regional and sector norms set against the levels of responsibility expected within a role. The Committee also reviews benefits that affect volunteers, such as mileage allowance. The Committee considers the annual pay review in line with the draft annual budget for the Charity and makes recommendations to the Board.

## **The Dorset & Somerset Air Ambulance Charity**

### **Trustee Directors' Report**

For the Year Ended 31 March 2019

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#### Use of Volunteers

The Charity is extremely well supported by 121 volunteers. They perform a wide range of invaluable duties on behalf of the Charity including giving talks, supporting events and manning information/merchandise stalls.

During the year our volunteers helped support 75 talks, 149 "third party" events and represented the Charity at 114 cheque presentations. In addition, 64 volunteers also helped support the Charity's annual cycle challenge, providing critical safety and administrative support. In total this volunteering effort represents around 1,500 hours.

Another time consuming but important activity carried out by our volunteers is assisting with the management, distribution and servicing of almost 2,300 collection boxes throughout Dorset and Somerset. Having analysed the effort involved, we assess that, on average, each box absorbs around 3 hours of volunteer effort per year. Therefore, this activity alone, has utilised an additional 6,900 hours of volunteer effort.

This level equates to 4.9 full-time staff that the Charity would otherwise have to employ to fulfil these commitments. Given our Whole Time Equivalent staff level of 14, that would represent a 35% increase in employed staff.

However, our volunteers represent much more than just a "labour source". They are our eyes, ears and voices in the communities we serve. Their day to day interaction with the people they meet helps to raise awareness and boost support for the Charity across Dorset and Somerset. They also provide us with an excellent feedback mechanism, helping us to shape our approach to volunteering, fundraising and general operations.

## **STRATEGIC REVIEW**

### **Objectives and Activities**

The Charity's object and its principal activity is the relief of sickness and injury and the protection of human life by the provision and support of an air ambulance service for the benefit of the population of Dorset and Somerset. The vision for the Charity is to provide the maximum patient benefit by delivering a highly effective, clinically excellent and financially secure air ambulance service in the South West Region.

DSAA provides the following aspects of clinical governance to assure maintenance and improvement in clinical excellence of the service:

- Evidence based care and effectiveness
- Learning and risk management
- Service development and innovation
- Clinical audit and research
- Education and training
- Staffing and staff management

**The Dorset & Somerset Air Ambulance Charity**  
**Trustee Directors' Report**  
**For the Year Ended 31 March 2019**

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Assessment of success of the clinical strategy is complex and requires careful examination of both empirical data and patient outcomes. Unfortunately, using NHS systems of reporting alone, provides no clear patient outcome data that reflects the care given in the pre-hospital environment. To overcome this, the Charity uses the PHEMnet clinical database system. This was initially developed by the Charity but is now owned by PHEMnet Community Interest Company. To further resolve patient outcome data, DSAA has established 2 Patient and Family Liaison Support Nurses to follow patients' progress after their treatment by DSAA.

The measurement of clinical excellence is not a simple task. There are currently no national criteria of pre-hospital clinical performance against which DSAA can be measured. However, our clinicians are working with the other air ambulances both regionally and nationally to resolve this issue. In the meantime, the level of demand for our clinical service from other health professionals (Ambulance Service Paramedics and NHS Hospital Trust Consultants, et al) is at least an indicator of success, since it points to professional trust of the standard of DSAA clinical delivery.

The short-term goals for the Charity are to build on the successful establishment of a 19-hour day operation by enhancing resilience in both personnel and equipment and improving operational effectiveness by surveying and recording landing sites for use in emergencies. This is being achieved without the requirement for intrusive or expensive infrastructure, thus minimising any burden on local communities.

Our long-term aim remains to advocate for patients in the pre-hospital environment by facilitating greater cooperative working with all agencies involved in patient-care across the South West. In January, the Charity provided grant funding to the SWASFT Charity to help provision Enhanced First Response Teams in Dorset and Somerset in order to improve the life-chances of patients through faster and more effective First Response.

We have also provided non-financial support to road safety, accident prevention and health promotion initiatives in an effort to reduce the number of avoidable calls on the Critical Care Team. DSAA dove tails injury and illness prevention messages into the core of Charity activity. The Charity has developed a specific prevention part of the DSAA website and ensured that each edition of the Charity's magazine, Beeline, has prevention messaging embedded both for trauma and cardiac disease. The prevention activity of DSAA staff has been well highlighted through DSAA communications. Also, DSAA's collaboration with Docbike, led by Dr Ian Mew, continues to strengthen.

Specialist Aviation Services provide a full aviation service managed through a contract that came into effect on 1 April 2017. The contract encompasses the provision of the helicopter (including backup), pilots and engineers to support day to day operations as well as full maintenance and logistic support. SWASFT, through its statutory authority, is responsible for tasking the helicopter. Support to the Charity is managed through 2 Service Level Agreements (SLA). The first SLA covers the provision of 16 Paramedics and Nurses (10 paid for by the Charity), associated equipment and a Rapid Response Vehicle (purchased by the Charity and gifted to SWASFT). This forms part of the core capability of the Charity's clinical provision. The second SLA is for the provision of specialist Helicopter Emergency Medical Service (HEMS) tasking to ensure that air ambulances are sent to the most appropriate incidents. This service is funded equally by the five air ambulance charities operating in the SWASFT area. Clinical governance of the Charity's activities is retained by SWASFT.

The Charity has complied with the duty in section 17 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance, when reviewing our aim and objectives and in planning our future activities. Trustees are also mindful of the Charity Commission's requirement that they be "informed by, but not directed by, the ambulance service".



## **The Dorset & Somerset Air Ambulance Charity**

### **Trustee Directors' Report**

**For the Year Ended 31 March 2019**

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#### Public Benefit

DSAA responds only to incidents having been tasked by the HEMS specialist tasking team in the SWASFT Dispatch Centre. This ensures that it attends incidents across Dorset and Somerset and, at times beyond its borders, according to where it can deliver best effect. The Charity delivers its service to patients, regardless of age, according to clinical priority and without discrimination.

The continued development of its clinical provision requires the Charity to consider other players in the emergency support to patients. The crews now run regular cross-training exercises with members of the Maritime Coastguard Agency Search and Rescue teams, the Police and Fire Services, road-based elements of SWASFT and Emergency Departments of our local NHS Hospital Trusts.

In doing so it has demonstrated its patient-focus and benefit to every segment of the population resident in and transiting through both counties and around their borders.

#### **Achievements and Performance**

##### Operational

During the period of this report, Dorset and Somerset Air Ambulance (DSAA) were activated to 1,394 incidents, an increase of 17% on last year. The team reached the scene at 863 incidents, were stood down to 387 incidents, and provided advice/discussion for a further 69 patients. 644 patients attended hospital, and 154 patients were left on scene. Of the 863 incidents attended, DSAA treated 676 patients (79.9%). Overall the team were activated by helicopter to 1,118 incidents and by road to 276 incidents.

The 863 patients attended by DSAA had the highest severity of illness and injury encountered across 19 years of DSAA operations (figures 1 and 2). This represents a 2.5x increase in patient numbers since 2012 and the largest number of patients treated in the history of DSAA. Patients and their families are now offered and provided with support, sign posting and peer support through dedicated DSAA liaison nurses.

The increase in patients treated is not due to an increase in the Dorset and Somerset population or a change in the diseases affecting the people of the region – but represent patients who DSAA previously did not reach. This increase in patient advocacy has been achieved through considered and incremental collaborative clinical, operational and financial support from DSAA.

**The Dorset & Somerset Air Ambulance Charity**  
 Trustee Directors' Report  
 For the Year Ended 31 March 2019

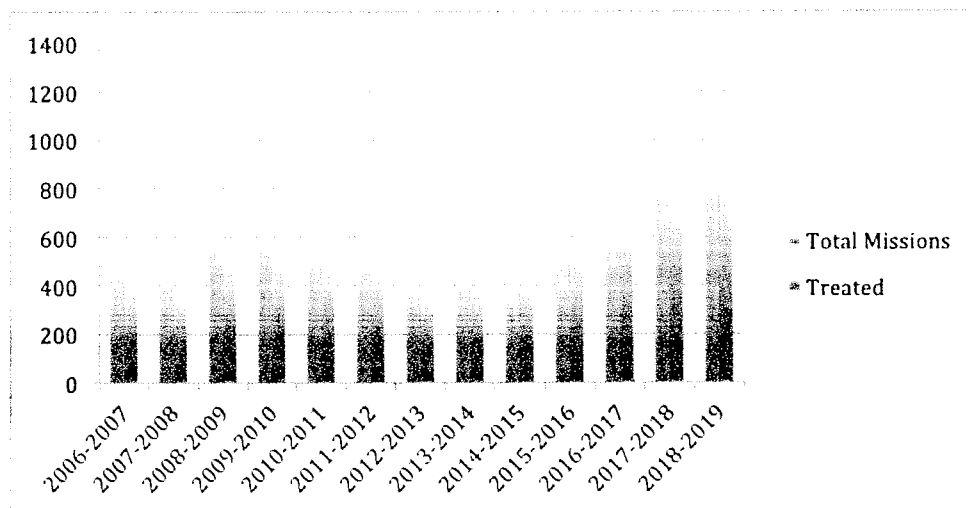


Figure 1 Incidents that DSAA were mobilised to and patients reached from 2006 to 2019

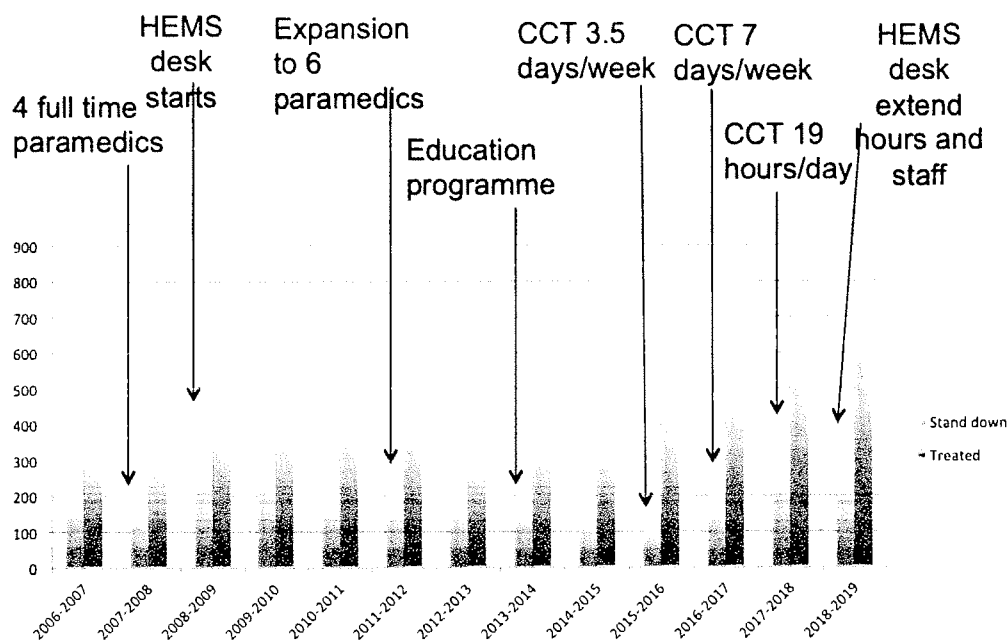


Figure 2 Patients reached, and missions stood down 2006-2019 with developments in clinical services annotated. (CCT = critical care team)

This year saw the creation of the Patient and Family Liaison role within the clinical team. In the first 6 months of operation, there has been significant demand for DSAA liaison nurse support from patients and families – demonstrating a previously unmet need. The ongoing sustainability of our operational team is also enhanced through DSAA liaison work – as patient outcomes and the subsequent life journeys travelled by patients are fed back to the clinical team.

Patient and family liaison represents a central part of DSAA clinical excellence, providing significant enhancement to the lives of the people of Dorset and Somerset.

Ongoing challenges facing DSAA clinical provision are:

- Sustaining and improving the standard of clinical care through robust and mature clinical governance.
- Sustaining the clinical team through developmental opportunities and psychological support.
- Supporting our current patients and families through DSAA liaison.
- Accessing the unmet patient need within current operating hours through improved tasking, outreach activity and inter-hospital transfers.
- Providing equitable access to DSAA care across the 24-hour clock.
- Stopping the people of Dorset and Somerset becoming patients in the first place.

### Fundraising

The Charity is committed to maintaining the highest standards of fundraising behaviour and is registered with the Fundraising Regulator. All contracts with third parties associated with DSAA fundraising are set in line with the guidelines issued by the Fundraising Regulator.

The Charity's lottery represents the single biggest component of our overall income at some 48%. We manage the lottery in house but outsource the canvassing activity. We have very tight governance arrangements with our provider with twice yearly formal executive-level meetings, monthly formal management-level meetings and weekly working-level meetings. We participate in canvasser training events twice yearly and regularly update them on Charity messaging. In recognition of growing concerns about face-to-face fundraising, our lottery canvassers are trained to recognise and deal sensitively with all vulnerable people, including possible dementia sufferers and are recognised as 'Dementia Friends'.

Legacies formed 28% of our income this year at £2,590,759, up from £2,032,705 last year.

The Charity's fundraising policy promotes a very benign approach to voluntary fundraising; concentrating on achieving a high volume of smaller donations rather than a low volume of high value donors. To that end, we support individuals and groups who run events and activities on our behalf and only run one event, our Coast to Coast Cycle Challenge, directly. We feel that the strength of our overall fundraising approach is in its diversity. In recognition of falling voluntary donations across the sector, the Charity will undertake a fundraising review in 2019 to identify ways in which voluntary donations can be increased without abandoning the approach that has served DSAA so well in the past.

### Investments

The investment objective for the long term reserves is to generate a fund capable of providing an income in the future that will offset any possible risks to other income. As a minimum, it aims to be able to provide at least 50% of operating costs from investment income from 2035 onwards. This assumes a growth of 50% in operational costs, an annual growth of capital over 16 years of 5% per annum and an income of 4% from 2035 that does not reduce the capital.

In doing so, it seeks to produce the best financial return within an acceptable level of risk. The investment objective for the short term reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements. The Charity aims to build long term reserves to ultimately provide income to reduce dependence on fundraising initiatives.

In order to mitigate the risk of investments, the Charity's holdings are managed by three separate investment managers and an active cash management service. Whilst they are all instructed similarly as to the level of risk and ethical restrictions on investments, they deliver a diverse range of investments that is monitored by the Charity using a common set of criteria. This helps to identify possible areas of stronger/weaker performance and trigger questions to the investment managers directly. Diversification has helped to balance out the worst of market fluctuations and has achieved the overall investment objectives.

## **Future Plans**

Future plans for further clinical development include:

- assessing the patient need and resource implications of moving to a 24/7 operation;
- accessing those patients who can benefit from DSAA critical care but currently are not provided that opportunity by assisting with the development of better tasking and by continuing our Outreach programme with other health professionals;
- promoting clinical data to advocate for improvements in patient care through audit and research. This includes the provision of a DSAA Clinical Research Lead;
- advocating for patients across pathways of care into hospitals, including influencing developments in First Response and in Primary prevention of illness and injury;
- development of DSAA as a national training centre in pre-hospital emergency medicine for doctors in collaboration with Great Western Air Ambulance from August 2020; and
- piloting the concept of training paramedics/nurses to become consultant practitioners in PHEM.

In recognising the peculiar pressures imposed on our crew, clinicians and pilots, DSAA is funding a 3-year trial starting in 2019 of a psychological supervision programme. This provides a continuous preventative/maintenance activity in a blend of group and individual sessions with qualified psychologists. Its aim is to add resilience and nurture psychological wellbeing.

## **Financial Review**

### Transactions and Financial position

The Statement of Financial Activities shows a net movement in funds of £3,640,332 for the year (2018 - £3,688,195) and reserves stand at £32,631,220 all which is unrestricted. The cash and cash equivalents at the end of the financial year stood at £13,638,224 with a further £10m in cash term deposits.

### Tangible Fixed assets for use by the Charity

Details of the movements of fixed assets are set out in note 10 of the Accounts.

## **The Dorset & Somerset Air Ambulance Charity**

### **Trustee Directors' Report**

**For the Year Ended 31 March 2019**

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#### Investment Policy and Returns

The Charity has adopted an investment policy which minimises financial risk to the Charity, while producing potential for capital growth over the long term. Under the memorandum and articles of association, the Charity has the power to make any investment which the Trustees see fit.

The Charity has adopted an ethical investment policy to ensure that its investments do not conflict with its aims. For example, there is a proven link between disease and the consumption of alcohol and tobacco. Therefore, the Charity's ethical investment policy precludes direct or indirect investment in companies that generate more than 10% of revenues from alcohol or tobacco.

Trustees are also considering positive ethical investment in areas such as renewable energy.

#### Reserves policy

Reserves stand at £32,631,220 with no restrictions. The cash and cash equivalents at the end of the financial year stood at £13,638,224 with a further £10m in cash term deposits.

The Trustees have agreed that the Charity should maintain £500,000 in cash as a reserve to cover all known contractual liabilities and £500,000 retained to cover any demobilisation charge by Specialist Aviation Services. In order to ensure continuity in operations, the Charity has an option to 'buy out' the loan of the other investor in the aircraft, should they fail to meet their obligations. This requires the designation of £3.3m in 2018/19, reducing to £1.5m by 2027 at the end of the contract period.

The Charity is currently assessing the need to proceed to 24/7 operations. In doing so, the Charity must consider how this will be achieved. It is likely to require an increase in personnel and equipment; most significantly the procurement of a second aircraft. This would be required to provide resilience to the service. If procured on the same basis as the Charity's first aircraft, a sum of £6m will have to be set aside to cover the mixed-motive investment and associated infrastructure changes.

In considering the increasing pressure on fundraising and possible amendments to society lottery rules, Trustees have established an investment policy that seeks to grow unrestricted reserves to a level that could provide an income equal to 50% of the operational costs of the Charity.

With this in mind, the Trustees judge the financial position of the Charity to be satisfactory.

#### Risk

The main risks to the Charity centre on reputational or financial issues. Although separate in nature, they are inextricably linked. Clearly, the reputation of the Charity in its ability to deliver its clinical service is vital to generating and maintaining donor support. Key financial risks reviewed by the Board of Trustees quarterly are: major loss of income due to competition for fundraising or changes in legislation, loss of donor confidence because of adverse publicity, loss of donor support due to perception of high reserves and loss of access to critical data.

## **The Dorset & Somerset Air Ambulance Charity**

### **Trustee Directors' Report**

**For the Year Ended 31 March 2019**

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Mitigation measures in place include:

- Networking with other charities across the area;
- Monitoring legislative developments;
- Adherence to fundraising codes of practice;
- Development of strategies to counter negative impacts on income;
- Retention of effective media links;
- Maintenance of transparency;
- Demonstrating to the public that their donations are being well spent and well managed by being transparent in all communications;
- Not employing telemarketing or sending unsolicited mail or email.

### **Statement of Trustees' Responsibilities**

The Trustees (who are directors of The Dorset & Somerset Air Ambulance Charity for the purposes of company law) are responsible for preparing the Trustee Directors' Report (incorporating the Directors' Report) and the financial statements in accordance with 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).

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 of the income and expenditure of the charitable company, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## The Dorset & Somerset Air Ambulance Charity

### Trustee Directors' Report

For the Year Ended 31 March 2019

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In so far as the Trustees are aware:

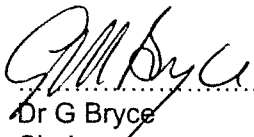
- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

### Auditors

The auditors, Albert Goodman LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

By order of the Trustees.

  
.....  
Dr G Bryce  
Chair

The Dorset & Somerset Air Ambulance Charity

Date: 18/9/19 .....

## **Opinion**

We have audited the financial statements of The Dorset & Somerset Air Ambulance Charity (the 'charitable company') for the year ended 31 March 2019, which comprise the Statement of Financial Activities, Balance Sheet, 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 Generally Accepted Accounting Practice, 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 charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.



**Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 12], 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

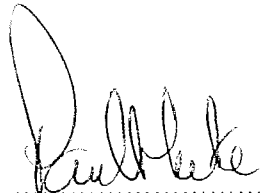
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**The Dorset & Somerset Air Ambulance Charity**  
Independent Auditors' Report to the Trustees and Members  
For the Year Ended 31 March 2019

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**Use of our report**

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



.....  
Paul Hake FCCA  
Senior Statutory Auditor  
for and on behalf of  
Albert Goodman LLP  
Chartered Accountants  
Statutory Auditor

Date: 19 September 2019

Mary Street House  
Mary Street  
Taunton  
Somerset  
TA1 3NW

**The Dorset & Somerset Air Ambulance Charity**  
Statement of Financial Activities (including Income and Expenditure Account)  
For the Year Ended 31 March 2019

		2019			2018		
	Notes	Unres- tricted £	Res- tricted £	Total £	Unres- tricted £	Res- tricted £	Total £
<b>Income:</b>							
Donations and legacies	2	4,048,581	21,550	4,070,131	3,550,396	20,500	3,570,896
Trading activities	3	4,792,461	-	4,792,461	4,694,477	-	4,694,477
Investment income	4	489,211	-	489,211	380,989	-	380,989
<b>Total income</b>		<b>9,330,253</b>	<b>21,550</b>	<b>9,351,803</b>	<b>8,625,862</b>	<b>20,500</b>	<b>8,646,362</b>
<b>Expenditure:</b>							
Raising funds	5	1,034,745	-	1,034,745	1,054,602	-	1,054,602
Charitable activities	6	4,848,918	6,791	4,855,709	3,971,390	500	3,971,890
<b>Total expenditure</b>		<b>5,883,663</b>	<b>6,791</b>	<b>5,890,454</b>	<b>5,025,992</b>	<b>500</b>	<b>5,026,492</b>
<b>Net income before other recognised gains and losses</b>		<b>3,446,590</b>	<b>14,759</b>	<b>3,461,349</b>	<b>3,599,870</b>	<b>20,000</b>	<b>3,619,870</b>
Net gain on investments	11	178,983	-	178,983	68,325	-	68,325
<b>Net income before transfers</b>		<b>3,625,573</b>	<b>14,759</b>	<b>3,640,332</b>	<b>3,668,195</b>	<b>20,000</b>	<b>3,688,195</b>
<b>Transfers</b>	17	<b>14,759</b>	<b>(14,759)</b>	<b>-</b>	<b>66,911</b>	<b>(66,911)</b>	<b>-</b>
<b>Net movement in funds for the year</b>		<b>3,640,332</b>	<b>-</b>	<b>3,640,332</b>	<b>3,735,106</b>	<b>(46,911)</b>	<b>3,688,195</b>
<b>Reconciliation of funds</b>							
Total funds brought forward	28,990,888	-	28,990,888	25,255,782	46,911	25,302,693	
<b>Total funds carried forward</b>		<b>32,631,220</b>	<b>-</b>	<b>32,631,220</b>	<b>28,990,888</b>	<b>-</b>	<b>28,990,888</b>

The statement of financial activities has been prepared on the basis that all operations are continuing operations. There were no gains or losses arising in the year that are not shown above.

The statement of financial activities incorporates the income and expenditure account.

**The Dorset & Somerset Air Ambulance Charity – Company Registration Number: 03893356**

**Balance Sheet**

As at 31 March 2019


			2019		2018
			£	£	£
	Notes				
<b>Fixed assets</b>					
Tangible fixed assets	10		932,797		297,472
Investments	11		5,484,084		13,354,195
			6,416,881		13,651,667
<b>Non-current assets</b>					
Debtors	12		2,811,849		3,200,458
Investments	13		7,250,000		-
			16,478,730		16,852,125
<b>Current assets</b>					
Stock	14	14,970		15,199	
Debtors	15	526,395		511,283	
Investments	13	2,750,000		-	
Cash at bank and in hand		13,638,224		12,287,508	
			16,929,589		12,813,990
<b>Liabilities:</b>					
Creditors falling due within one year	16	(777,099)		(675,227)	
Net current assets			16,152,490		12,138,763
<b>Total net assets</b>			32,631,220		28,990,888
<b>The funds of the charity:</b>					
Restricted funds	17	-		-	
Unrestricted funds	17	31,718,459		28,167,179	
Fair value reserve	17	912,761		823,709	
<b>Total charity funds</b>			32,631,220		28,990,888


**The Dorset & Somerset Air Ambulance Charity – Company Registration Number: 03893356**  
Balance Sheet  
As at 31 March 2019

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The financial statements have been prepared and delivered in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Approved by the Board of Trustees for issue on 18/9/19 and signed on their behalf by:

  
.....  
Dr G Bryce  
Chair

  
.....  
R Kennedy  
Treasurer

**The Dorset & Somerset Air Ambulance Charity**  
Statement of Cash Flows  
For the Year Ended 31 March 2019

		2019 £	2018 £
	Notes		
<b>Cash flows from operating activities</b>			
Net movements in funds for the year		3,640,332	3,688,195
Adjustments to cash flows from non-cash items			
Proceeds on disposal of fixed assets		(2,500)	-
Depreciation and amortisation	10	72,575	79,936
Dividends and interest from investments	4	(489,211)	(380,989)
Investment revaluations	11	(178,983)	(68,325)
Investment management charge	11	2,801	11,172
		<u>3,045,014</u>	<u>3,329,989</u>
Working capital adjustments			
(Increase)/decrease in stocks	14	229	(5,233)
(Increase)/decrease in debtors	15	75,340	(159,343)
Increase/(decrease) in creditors	16	101,872	(18,122)
		<u>3,222,455</u>	<u>3,147,291</u>
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		469,933	318,648
Proceeds on disposal of fixed assets		2,500	-
Purchase of fixed assets	10	(707,900)	(87,457)
Acquisition of investments	11/13	(11,097,158)	(1,177,567)
Investment disposals	11	9,417,840	1,074,193
		<u>(1,914,785)</u>	<u>127,817</u>
<b>Cash flows from financing activities</b>			
Loan repayments received		298,157	133,985
		<u>298,157</u>	<u>133,985</u>
<b>Net cash provided by/(used in) financing activities</b>		<u>298,157</u>	<u>133,985</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>1,605,827</u>	<u>3,409,093</u>
Cash and cash equivalents at the beginning of the reporting period		12,500,202	9,091,109
Cash and cash equivalents at the end of the reporting period		<u>14,106,029</u>	<u>12,500,202</u>
<b>Cash &amp; Cash equivalents reconciliation:</b>			
Cash at bank		13,638,224	12,287,508
Cash held by investment manager	11	467,805	212,694
		<u>14,106,029</u>	<u>12,500,202</u>
<b>Total cash &amp; cash equivalents at the end of the reporting period</b>		<u>14,106,029</u>	<u>12,500,202</u>

# **The Dorset & Somerset Air Ambulance Charity**

## **Notes to the Financial Statements**

For the Year Ended 31 March 2019

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### **1 Accounting Policies**

#### **1.1 Basis of accounting**

The Dorset & Somerset Air Ambulance Charity is a company limited by guarantee incorporated in the United Kingdom under the Companies Act. The maximum liability of each member is limited to £1. The address of the registered office is given on page 1. The nature of the charity's operations and its principal activities are set out in the Trustees report on pages 3-13.

The financial statements have been prepared in £ sterling on the historical cost basis 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)) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts are prepared for the company alone. The company has a dormant subsidiary, and consolidated accounts are not presented as the charity has taken advantage of the exemption provided by S405(2) of the Companies Act 2006 on the grounds of immateriality.

#### **1.2 Income**

Income from donations is recognised on a cash basis, in the year in which the income is physically received, except when the donors specify that they must be used in future accounting periods or donors conditions have not been fulfilled, then the income is deferred.

Bequests and legacies are included when entitlement is established, it is probable that the amount will be received, and the amount receivable can be estimated with sufficient accuracy. Where conditions for recognition have not been met, the legacies are disclosed in note 2.

Income from grants is recognised in the year in which they are receivable. Grants without performance conditions are presented within donations and legacies and within charitable activities when performance criteria apply.

Trading activity income from lottery receipts is recognised when the draw for the relevant week is made. Any amounts received prior to the draw being made are deferred.

Income from trading activities, other than lottery income, is included in the period in which the company is entitled to receipt.

Income from investments constitutes dividends and bank interest and is recognised in the year to which it relates.

## The Dorset & Somerset Air Ambulance Charity

### Notes to the Financial Statements

For the Year Ended 31 March 2019

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#### 1.3 Expenditure

Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred, inclusive of any VAT which cannot be recovered. These include both costs associated with both charitable activity and those which relate to governance arrangements and the general running of the charity.

#### 1.4 Donated services

In accordance with the Charities SORP (FRS 102), the unpaid volunteer time is not recognised in the financial statements. Refer to the Trustee Directors' Report for more information about their contribution.

#### 1.5 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 or valuation less estimated residual value of each asset over its expected useful life as follows:

Short leasehold improvements	10 years straight line
Freehold land and buildings	50 years straight line
Medical equipment	4 – 5 years straight line
Fixtures & fittings	10 years straight line
Computer equipment	3 years straight line

Fixed assets costing less than £5,000 are not capitalised.

#### 1.6 Investments

Fixed asset investments comprise investment portfolios maintained by investment managers. These are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs.) Subsequently, investments are held at market value, with all realised and unrealised gains passing through the SOFA.

Non-current asset investments are cash deposits with a maturity date of more than one year from the balance sheet date. These are recognised at the deposit amount plus any interest, with any interest gains passing through the SOFA when falling due.

Current asset investments are cash deposits with a maturity date of less than one year from the balance sheet date. These are recognised at the deposit amount plus any interest, with any interest gains passing through the SOFA when falling due.

#### 1.7 Stock

Stock is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving stock.

#### 1.8 Non-current assets - debtors

Non-current assets debtors are programme related investments, made through a loan to an unconnected company. The loan has been measured at the amount paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any necessary impairment.

#### 1.9 Debtors

Accrued income is recognised at the settlement amount due and prepayments are valued at the amount prepaid.



## The Dorset & Somerset Air Ambulance Charity

Notes to the Financial Statements  
For the Year Ended 31 March 2019

### 1.10 Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and call deposits with a maturity of less than three months, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### 1.11 Creditors

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 recognised at their settlement amount.

### 1.12 Pensions

The Charity operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contributions payable by the Charity during the year in accordance with FRS 17.

### 1.13 Operating lease rentals

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease. The charity has operating leases for the premises in which they operate, as well as motor, office equipment leases. The title of the leased premises and equipment remains with the lessor.

### 1.14 Foreign currencies

Transactions in foreign currencies are initially recorded in the charity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities and presented within charitable activities expenditure.

### 1.15 Taxation

As a registered charity, the company is not liable to corporation tax to the extent that income and gains are applied to charitable activities.

## 2. Donations and legacies

	Unres- tricted funds £	Res- tricted funds £	2019 Total £	Unres- tricted funds £	Res- tricted funds £	2018 Total £
Donations	1,165,333	21,550	1,186,883	1,279,718	500	1,280,218
Legacies	2,590,759	-	2,590,759	2,012,705	20,000	2,032,705
Collecting boxes	235,960	-	235,960	203,723	-	203,723
Gift aid	56,529	-	56,529	54,250	-	54,250
	4,048,581	21,550	4,070,131	3,550,396	20,500	3,570,896

## The Dorset & Somerset Air Ambulance Charity

Notes to the Financial Statements  
For the Year Ended 31 March 2019

### 2. Donations and legacies (cont.)

As at the year end, the charity had been notified of material legacies which have not been included in the Statement of Financial Activities due to the conditions for recognition not being met. These consist of 17 legacies totalling approximately £518,156 (2018: 14 legacies totalling approximately £1,120,680).

### 3. Trading activities

	Unres- tricted funds £	Res- tricted funds £	2019 Total £	Unres- tricted funds £	Res- tricted funds £	2018 Total £
Lottery	4,526,911	-	4,526,911	4,414,296	-	4,414,296
Birthday draw	189,830	-	189,830	194,963	-	194,963
Other fundraising & sponsorship	2,668	-	2,668	3,766	-	3,766
Medevac recharges	-	-	-	-	-	-
Sale of merchandise	15,138	-	15,138	14,671	-	14,671
Events income	55,414	-	55,414	66,781	-	66,781
Profit on sale of fixed assets	2,500	-	2,500	-	-	-
	4,792,461	-	4,792,461	4,694,477	-	4,694,477

Income received for the lottery totalling £473,179 (2018: £462,547) has been deferred and is recognised at the date the relevant draw takes place.

### 4. Investment income

	Unres- tricted funds £	Res- tricted funds £	2019 Total £	Unres- tricted funds £	Res- tricted funds £	2018 Total £
Dividends receivable	151,536	-	151,536	182,479	-	182,479
Interest receivable from banks/deposits	165,491	-	165,491	28,941	-	28,941
Loan interest receivable	157,175	-	157,175	169,569	-	169,569
Rental income	15,009	-	15,009	-	-	-
	489,211	-	489,211	380,989	-	380,989

**The Dorset & Somerset Air Ambulance Charity**

Notes to the Financial Statements

For the Year Ended 31 March 2019

**5. Expenditure on raising funds**

	Unres- tricted funds £	Res- tricted funds £	2019 Total £	Unres- tricted funds £	Res- tricted funds £	2018 Total £
Lottery prizes	89,445	-	89,445	89,570	-	89,570
Staff salaries	282,697	-	282,697	278,980	-	278,980
Commission	448,407	-	448,407	461,592	-	461,592
Rental of computer system	6,240	-	6,240	8,520	-	8,520
Lottery office costs	31,828	-	31,828	36,671	-	36,671
Beeline	65,506	-	65,506	65,322	-	65,322
Bank charges	40,400	-	40,400	40,462	-	40,462
Function costs	2,549	-	2,549	1,983	-	1,983
Collection tins	1,545	-	1,545	922	-	922
Goods purchased for resale	9,416	-	9,416	8,635	-	8,635
Investment management costs	56,712	-	56,712	61,945	-	61,945
	1,034,745	-	1,034,745	1,054,602	-	1,054,602

# The Dorset & Somerset Air Ambulance Charity

Notes to the Financial Statements  
For the Year Ended 31 March 2019

## 6. Charitable activities

	Unres- tricted funds £	Res- tricted funds £	2019 Total £	Unres- tricted funds £	Res- tricted funds £	2018 Total £
<b>Helicopter costs</b>						
Helicopter costs	2,620,386	-	2,620,386	2,113,233	-	2,113,233
Critical care team	1,260,739	-	1,260,739	1,121,553	-	1,121,553
Medical equipment	95,609	6,791	102,400	64,506	-	64,506
Airbase costs	43,796	-	43,796	37,342	-	37,342
Paramedic training	119,527	-	119,527	88,992	-	88,992
Travel & subsistence	31,131	-	31,131	35,438	500	35,938
Car hire	3,809	-	3,809	4,085	-	4,085
Foreign currency loss	10	-	10	44	-	44
VAT reclaimed	(46,930)	-	(46,930)	(50,637)	-	(50,637)
	<u>4,128,077</u>	<u>6,791</u>	<u>4,134,868</u>	<u>3,414,556</u>	<u>500</u>	<u>3,415,056</u>
<b>Other charitable activities</b>						
Grants awarded - Institution	73,325	-	73,325	-	-	-
	<u>73,325</u>	<u>-</u>	<u>73,325</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Support &amp; governance costs</b>						
Wages and salaries	255,022	-	255,022	220,156	-	220,156
Accommodation	29,451	-	29,451	49,582	-	49,582
Print and stationery	5,371	-	5,371	4,798	-	4,798
Postage	4,500	-	4,500	5,032	-	5,032
Telephone	9,465	-	9,465	9,079	-	9,079
Vehicle insurance	930	-	930	1,024	-	1,024
Office equipment and maintenance	8,770	-	8,770	7,478	-	7,478
Publicity	21,667	-	21,667	14,836	-	14,836
Beeline	65,506	-	65,506	65,322	-	65,322
Insurance	15,617	-	15,617	11,851	-	11,851
Legal and professional	6,393	-	6,393	9,531	-	9,531
Training costs	9,179	-	9,179	1,989	-	1,989
Recruitment	-	-	-	-	-	-
Bank charges	12,371	-	12,371	8,218	-	8,218
Subscriptions	10,111	-	10,111	7,952	-	7,952
Health and safety	1,607	-	1,607	1,617	-	1,617
Depreciation	72,575	-	72,575	79,936	-	79,936
IT costs and website	109,801	-	109,801	49,133	-	49,133
Audit and accountancy	9,180	-	9,180	9,300	-	9,300
	<u>647,516</u>	<u>-</u>	<u>647,516</u>	<u>556,834</u>	<u>-</u>	<u>556,834</u>
	<u>4,848,918</u>	<u>6,791</u>	<u>4,855,709</u>	<u>3,971,390</u>	<u>500</u>	<u>3,971,890</u>

## The Dorset & Somerset Air Ambulance Charity

### Notes to the Financial Statements

For the Year Ended 31 March 2019

#### 7. Net incoming resources/operating surplus

	2019 £	2018 £
Depreciation of owned assets	72,575	79,936
Profit on sale of fixed assets	(2,500)	-
Auditors' remuneration for:		
Audit services	7,180	7,300
Accountancy services	2,000	2,000
Other services	-	-
	<u>77,255</u>	<u>89,236</u>

#### 8. Trustee directors

None of the Trustee Directors (or any persons connected with them) received any remuneration during the current or prior year. Three Trustee Directors were reimbursed a total of £506 travelling expenses (2018: Two reimbursed travelling expenses of £958).

#### 9. Employees

##### Number of employees

The average monthly head count was 18 staff (2018: 17 staff) and the average number of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	2019	2018
Chief Executive	1	1
Lottery staff	4	4
Fundraising staff	3	3
Management and admin staff	6	5
	<u>14</u>	<u>13</u>

##### Employment costs

	2019 £	2018 £
Wages and salaries	457,133	427,002
Social security costs	39,320	37,667
Other pension costs	41,266	34,467
	<u>537,719</u>	<u>499,136</u>

## The Dorset & Somerset Air Ambulance Charity

Notes to the Financial Statements  
For the Year Ended 31 March 2019

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### 9. Employees (cont.)

The number of employees whose annual emoluments were £60,000 or more were:

	2019 number	2018 number
£60,000 - £70,000	1	1

This employee is a member of the defined contribution pension scheme, into which contributions of £13,271 (2018: £10,860) were made.

The key management personnel of the charity are considered to be the Chief Executive Officer, the Deputy Chief Executives/Finance Managers and the Lottery Manager. The total costs to the charity of employee benefits for the key management personnel were £217,620 (2018: £204,108).

Volunteers contribute unpaid time to fundraising activities. The estimated volunteer time for the year amounted to 7,000 hours of vital support that the Charity would otherwise have to employ staff to complete and would require a 40% increase in our current staffing. This has not been included in the financial statements in accordance with the Charities SORP (FRS 102).

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £41,266 (2018: £34,274).

Contributions totalling £5,869 (2018: £4,939) were payable to the scheme at the end of the year and are included in creditors.

# The Dorset & Somerset Air Ambulance Charity

## Notes to the Financial Statements

For the Year Ended 31 March 2019

### 10. Tangible fixed assets

<b>Cost</b>	<b>Short leasehold improvements £</b>	<b>Freehold Land &amp; Buildings £</b>	<b>Medical Equipment £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
At 1 April 2018	230,433	-	243,787	35,763	40,571	550,554
Additions	43,497	597,805	66,598	-	-	707,900
Disposals	-	-	(11,353)	-	-	(11,353)
Reclassification	(21,589)	-	21,589	-	-	-
At 31 March 2019	252,341	597,805	320,621	35,763	40,571	1,247,101
<b>Depreciation</b>						
At 1 April 2018	32,163	-	150,585	31,494	38,840	253,082
Charge for the year	22,017	6,974	41,270	583	1,731	72,575
Disposals	-	-	(11,353)	-	-	(11,353)
Reclassification	(4,318)	-	4,318	-	-	-
At 31 March 2019	49,862	6,974	184,820	32,077	40,571	314,304
<b>Net book value</b>						
At 31 March 2019	202,479	590,831	135,801	3,686	-	932,797
At 1 April 2018	198,270	-	93,202	4,269	1,731	297,472

**The Dorset & Somerset Air Ambulance Charity**

## Notes to the Financial Statements

For the Year Ended 31 March 2019

**11. Investments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Listed shares	5,016,278	13,141,500
Cash held by investment manager	467,805	212,694
Shares in subsidiary undertaking	1	1
	<hr/>	<hr/>
	5,484,084	13,354,195
	<hr/>	<hr/>
<b>Listed shares</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Market value</b>		
At 1 April 2018	13,141,500	12,918,632
Additions	1,097,158	1,177,567
Disposals	(9,417,840)	(1,074,193)
Accumulated interest	19,278	62,341
Management charges	(2,801)	(11,172)
Revaluation	178,983	68,325
	<hr/>	<hr/>
At 31 March 2019	5,016,278	13,141,500
	<hr/>	<hr/>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Historical cost</b>		
At 1 April 2018	12,326,328	12,075,608
Additions	1,097,158	1,177,567
Disposals	(9,261,488)	(933,913)
Other movements	6,600	7,066
	<hr/>	<hr/>
At 31 March 2019	4,168,598	12,326,328
	<hr/>	<hr/>

**Shares in subsidiary undertaking**

Dorset & Somerset Air Ambulance (Trading) Limited was incorporated on 19 October 1999 as a wholly owned trading subsidiary of The Dorset & Somerset Air Ambulance Charity. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company. The company became dormant on 31 March 2013.

The profit for the year was £nil (2018: £nil) and the balance sheet total was £1 (2018: £1).



**12. Non-current assets - Debtors**

	2019 £	2018 £
Loan - programme related investment	2,811,849	3,200,458

During 2017 the charity provided an initial loan of £3,433,400 to a company to facilitate the purchase of a helicopter for exclusive use by the charity. The loan attracts an interest rate of 4.779% and security is in place in the form of a second mortgage over the asset. The loan is being repaid over 10 years, with the final repayment due in January 2027. At the 2019 year end, £3,124,579 is outstanding (2018: £3,422,736), of which £312,730 is due within one year (2018: 222,278), and £2,811,849 in more than one year (2018: £3,200,458).

**13. Investments**

	2019 £	2018 £
Fixed rate cash held on deposit	10,000,000	-
Split as:		
Non-current asset investment (due > 1 year)	7,250,000	-
Current asset investment (due < 1 year)	2,750,000	-
	10,000,000	-

**14. Stocks**

	2019 £	2018 £
Goods for resale	14,970	15,199

**The Dorset & Somerset Air Ambulance Charity**

Notes to the Financial Statements

For the Year Ended 31 March 2019

**15. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other debtors	46,495	62,277
Loan - programme related investment	312,730	222,278
Prepayments and accrued income	167,170	226,728
	<u>526,395</u>	<u>511,283</u>

**16. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred income: lottery receipts	473,179	462,547
Other creditors	70,505	63,969
Accruals	223,037	138,754
Amounts owed to group undertakings	1	1
Taxation and social security	10,377	9,956
	<u>777,099</u>	<u>675,227</u>

**Reconciliation of deferred income : Lottery receipts**

Opening balance	462,547	509,328
Received during the year	4,537,543	4,367,515
Released during the year	(4,526,911)	(4,414,296)
Closing balance	<u>473,179</u>	<u>462,547</u>

# The Dorset & Somerset Air Ambulance Charity

## Notes to the Financial Statements

For the Year Ended 31 March 2019

### 17. Summary of movement in funds

	Opening balance £	Income £	Expenditure £	Gain/(loss) on Investments & transfers £	Closing balance £
<b>Unrestricted funds</b>					
General	28,167,179	9,330,253	(5,883,663)	104,690	31,718,459
Fair Value Reserve	823,709	-	-	89,052	912,761
	<u>28,990,888</u>	<u>9,330,253</u>	<u>(5,883,663)</u>	<u>193,742</u>	<u>32,631,220</u>
<b>Restricted funds</b>					
Mazars Charitable Trust	-	21,050	(4,250)	(16,800)	-
Weymouth Conclave	-	500	(2,541)	2,041	-
	<u>-</u>	<u>21,550</u>	<u>(6,791)</u>	<u>(14,759)</u>	<u>-</u>
	<u>28,990,888</u>	<u>9,351,803</u>	<u>(5,890,454)</u>	<u>178,983</u>	<u>32,631,220</u>

### Summary of movement in funds – 2018

	Opening balance £	Income £	Expenditure £	Gain/(loss) on Investments & transfers £	Closing balance £
<b>Unrestricted funds</b>					
General	24,364,876	8,625,862	(5,025,992)	202,433	28,167,179
Fair Value Reserve	890,906	-	-	(67,197)	823,709
	<u>25,255,782</u>	<u>8,625,862</u>	<u>(5,025,992)</u>	<u>135,236</u>	<u>28,990,888</u>
<b>Restricted funds</b>					
Libor fund	8,295	-	-	(8,295)	-
Godfrey-Hall	38,616	-	-	(38,616)	-
M J Stubbins	-	20,000	-	(20,000)	-
Marks & Spencer	-	500	(500)	-	-
	<u>46,911</u>	<u>20,500</u>	<u>(500)</u>	<u>(66,911)</u>	<u>-</u>
	<u>25,302,693</u>	<u>8,646,362</u>	<u>(5,026,492)</u>	<u>68,325</u>	<u>28,990,888</u>

## The Dorset & Somerset Air Ambulance Charity

### Notes to the Financial Statements

For the Year Ended 31 March 2019

#### Summary of movement in funds (continued)

- The fair value reserve is an accumulation of unrealised gains and losses, being the difference between market value and the cost of investments.
- The Libor fund came from the Association of Air Ambulances (Charity) Ltd which was set up to distribute the Libor fund and will be used to construct and equip a facility to support clinical training, night operations planning and extended hours of operations.
- The Godfrey-Hall donation was to fund clinical equipment for the charity.
- M J Stubbins was a legacy received specifically towards medical equipment.
- The Mazars Charitable Trust was received towards the purchase of a ventilator and syringe drivers.
- The Weymouth Conclave was received towards the purchase of a stretcher.

Where transfers have been made out of funds, they relate to the purchase of fixed assets, which is taken to discharge the restriction.

#### 18. Analysis of assets between funds

	Unres- tricted funds £	Res- tricted funds £	2019 Total £	Unres- tricted funds £	Res- tricted funds £	2018 Total £
Tangible fixed assets	932,797	-	932,797	297,472	-	297,472
Fixed asset investments	5,484,084	-	5,484,084	13,354,195	-	13,354,195
Non-current assets	10,061,849	-	10,061,849	3,200,458	-	3,200,458
Net current assets	16,152,490	-	16,152,490	12,138,763	-	12,138,763
	32,631,220	-	32,631,220	28,990,888	-	28,990,888

**19. Financial commitments**

At 31 March 2019 the charity was committed to making the following payments under non-cancellable operating leases:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Land and Buildings</b>		
Expiry date:		
Within one year	9,327	12,033
Between two and five years	4,664	-
<b>Other</b>		
Expiry date:		
Within one year	387,694	388,843
Between two and five years	3,427	764
	<hr/> 405,112	<hr/> 401,640
	<hr/> <hr/>	<hr/> <hr/>

**20. Related parties**

There were no related party transactions during the year (2018: none).