

Charity Registration No. 1138457

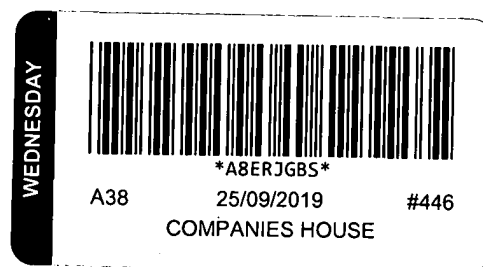
Company Registration No. 06935959 (England and Wales)

LUCY AIR AMBULANCE FOR CHILDREN CHARITY

(LIMITED BY GUARANTEE)

**ANNUAL ACCOUNTS AND TRUSTEES' REPORT (INCLUDING THE DIRECTORS'
REPORT)**

FOR THE YEAR ENDED 31 MARCH 2019



**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
CONTENTS**

Directors and Trustees

Dean Gillespie, chair (appointed 13/02/19)
Jill Williams (resigned 12/06/19)
Claire Glazebrook, Secretary (resigned 08/05/18)
Timothy Younger
Alison Clarke (resigned 20/03/19)
Paul McCartney (resigned 17/09/18)
Anne Thomas (resigned 20/03/19)
Emma Earl, Treasurer (appointed treasurer 15/05/18)
William Tyler
Sofia Hoac (appointed 30/10/18, resigned 31/08/19)
James McCarthy (16/01/19)
Peter Lukac (13/12/18)
Alison Neil (appointed 16/01/19, resigned 18/04/19)
Mitali Wroczynski (appointed 20/03/19)
Patrick Schoennagel (appointed 12/06/19)

Patrons

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

Ambassador

Linda Cooke

Advisors

Dr Nandiran Ratnavel
Dr Terry Martin
Laura Mariani (HR)
Stephanie Kleyman (Solicitor)

Registered Charity name

Lucy Air Ambulance for Children Charity

Charity number

1138457

Company number

06935959

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
CONTENTS**

Registered office	The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Principal address	CAN Mezzanine 7-14 Great Dover Street London SE1 4YR
Website	www.lucyaac.org.uk
Telephone	020 3096 7870
Independent Examiner	Mark Cummins FCCA FCIE TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ HSBC Bank Plc PO Box 1EZ 196 Oxford Street London W1D 1NT

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
CONTENTS**

	Page
Trustees' Report (incorporating the Directors' Report)	1 - 7
Statement of Trustees' Responsibilities	8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Accounts	12 - 20

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

The Lucy Air Ambulance for Children Charity (Lucy AAC) Trustees and Directors present their Annual Report (including the Directors' Report) for the year ended 31 March 2019 together with the accounts for the Charity.

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

REPORT FROM THE CHAIR OF TRUSTEES

Lucy Air Ambulance for Children has enjoyed a milestone year for helping children in the community, delivering our busiest year to date. The charity experienced growth of 21% in services provided, funding more flights and helping more families than ever before. We also worked with more hospitals across the UK and are continuing to grow our profile as the only charity in the UK dedicated to funding fixed-wing air ambulance transfers. We continue to respond to the type of flights that the community needs – moving both neo-natal and young children across the UK at the time of their need.

This year also saw Lucy AAC fund flights for organ transplants, and end-of-life care for the first time. This is a significant expansion of our service that could not have been possible without the tireless work of both our staff, and our service partners.

Lucy AAC has had a strong focus on our financial situation over the past year. We have undergone a significant streamlining of our cost base and our processes to allow us to focus maximum resources on funding flights. This allows us to deliver against our vision to provide safe, long-distance air transfers that are available for any child needing them, regardless of distance and cost.

At the same time, awareness of our service continues to expand throughout the NHS and in medical circles. Demand for transfers continues to increase. One of the key challenges over the coming year will be finding ways to continue to fund the expanding number of transfers that the charity is being asked to progress.

This year has also seen an almost entirely new trustee board in place, with enthusiastic new trustees appointed and several existing trustees retiring from the board. I would like to personally thank Jill Williams, Anne Thomas, Paul McCartney, Alison Clarke, Claire Glazebrook, Alison Neil and Sofia Hoac for their contributions to the charity over the past few years.

Next year will be Lucy AAC's tenth anniversary. Whilst short, Lucy AAC has a proud history of changing lives and the board is putting together a strategic plan to grow the channel through the 2020s. This plan will include increased fundraising and awareness activities that expand our service capabilities further.

On behalf of the Board of Trustees, I would like to extend an enormous thank you to all of our supporters for their incredible support. The vital work of Lucy would simply not be possible without your help and devotion to the cause. In particular, I would like to call out our many collection box agents, and Houlihan Lokey, a key corporate partner who have moved mountains to assist us in funding transfers this year.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

We are looking forward to a bold 2020 where we continue to expand our service, helping more children than ever before. We hope to continue to enjoy your ongoing support over coming months and years in transforming young people's lives across the UK. We'll continue to aim to help more and more children across the UK as we strengthen our organisation and expand our ability to help further.

To the many children and their families that we helped this year, we truly hope that we were able to make your lives even a little bit easier at a difficult time. Our entire board of trustees and staff wish you and your families all the best for the future.

You are the reason we fly.

Dean Gillespie
Chair of the Board of Trustees
Lucy Air Ambulance for Children

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

ABOUT US

Registered in October 2010, Lucy Air Ambulance for Children is a UK Charity that flies children up to the age of 16 years between hospitals.

We transfer children for a variety of reasons including:

- To receive specialist care
- To be taken to a hospital closer to home, including for end of life care
- For diagnostic tests
- For specialist surgery, including organ transplants

The advantages of using a fixed wing aircraft include:

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

OBJECTIVES

The principal objectives of Lucy AAC are:

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

The vision of Lucy AAC is that safe, long distance air transfers within the UK are available for any child needing one, regardless of distance or cost. We believe every child is important and deserves the right treatment, in the right place, at the right time.

ACHIEVEMENTS AND PERFORMANCE

This year Lucy AAC has grown its service by 21% - helping more children than ever before. This included expansion into funding flights for organ transplants and end-of-life care for the first time.

The Charity has undertaken a significant restructure of its fixed cost base, to ensure the maximum funds are available for expending directly on transfers. The full year benefits of this will be seen for the first time in the year ended 31 March 2020.

PUBLIC BENEFIT

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

Our service is delivering positive outcomes for those children and their families, benefiting physical and emotional health and well-being and reducing levels of stress.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

IMPACT

Trustees commissioned independent research into our service this year. Off the back of this report, the Charity undertook an exercise to further simplify and streamline our referral process. The effectiveness of this can be seen through the increased number of referrals we are now seeing and therefore the increased impact we are having as we transfer more children than ever before.

Testimonials from consultants, clinicians and nurses continue to highlight the multi-dimensional impact the charity has in improving lives. Our impact extends beyond ensuring children receive the right treatment in the right place at the right time, as we reunite families, help to free up vital beds in busy centres of excellence and enable regional NHS transport teams to ensure key resource is kept within their network.

DEVELOPING OUR SERVICE

The Trustees continue to monitor and explore opportunities that will contribute to the existing objectives.

The key aims and objectives of the Trustees provide the vision for how the Charity will develop over the next 3 years. Aims include:

1. We will continue to develop our strategy to engage further with healthcare professionals, NHS Trusts, CCG's and transport/retrieval teams throughout the UK to raise the Charity's profile and increase direct referrals.
2. We will develop an approach to ensure we can service the needs of key flight pathways to and from specialist Paediatric & Neonatal care centres.
3. We will focus on growing our recurring income streams and reserves to ensure a sustainable base for the charity's future.
4. We will continue to look for innovative ways to engage further and strengthen our relationships with corporate partners.
5. We will develop a strategy to increase our relationships with local communities, with a particular focus on those communities who are part of the key flight pathways.

FUNDRAISING AND COMMUNICATIONS

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

- Trusts & Foundations – will provide a high percentage of our income as we develop our service and we will be submitting applications to regional Trusts.
- Collection Boxes – the Charity has an extensive static collection box network that extends nationwide and we continue to develop this income stream.
- Corporate – we have the support of a number of London based companies and we look now for regional support, especially in areas where we have supported families.
- Community – our thanks go out to all those who raise funds through their own events or taking part in challenge events.
- Communications – our Engagement Manager continues to grow our social media following and we are actively seeking partnerships which will facilitate brand growth.

We are focused on raising our brand profile and ensuring consistency across all communication channels.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

EQUAL OPPORTUNITIES POLICY

The charitable company is committed to eliminating any discrimination and promoting diversity and equality of opportunity in all it does. It is therefore the charitable company's policy to ensure that no service user, employee or job applicant is treated less favourably, but not limited to, on the grounds of sex, race, sexual orientation, ethnic or national origin, disability, religion or age. Lucy AAC will comply with all statutory obligations and codes of practice relating to equal opportunities to ensure we eliminate discrimination and promote equality of opportunity.

STRUCTURE AND GOVERNANCE

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

Lucy Air Ambulance for Children Charity is a Registered Charity, number 1138457. It is a Company, number 06935959, limited by guarantee. The Charity is governed by its Memorandum and Articles of Association, which was updated and adopted by the Trustees at the May Board meeting. The Trustees who served during the period were as listed on the Legal and Administrative Information page. As at March 31st 2019 there were 10 guarantors whose liability in the event of a winding up is limited to £10 each.

The directors of the company, who are also charity Trustees for the purposes of charity law, form the Board of Trustees. Two of the Trustees serve voluntarily as Treasurer and Company Secretary respectively. A full Board meeting is held at least six times during each period of 12 months. One Trustee is appointed as Chair and staff are invited to report on the service and fundraising activities.

The minimum number of Trustees is four, there is no maximum. Prospective Trustees are required to complete an application form and declare any conflicts of interest. No person is appointed to serve as a Trustee unless recommended by the existing Trustees. New Trustees are introduced to the Board and briefed as necessary in all aspects of Lucy AAC's objectives and policies. Trustees are encouraged to seek training, as appropriate, also to observe and follow the requirements and guidelines set down by the Charity Commission.

RISK MANAGEMENT

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

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

- Obtaining sufficient funding to provide for the service
- Providing the capacity to meet the demand for services
- Ensuring that the service meets required standards
- Avoiding actions that could damage the organisation's reputation
- Recruiting and retaining sufficient levels of skilled staff
- Providing adequate ICT systems and ensuring the protection and security of confidential information
- The overall management and development of systems and personnel

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

- Ensuring the provision of adequate levels of governance and operational control through its Trustees and senior management
- Financial reporting within a comprehensive planning and accounting framework

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

MANAGEMENT

The Director of Operations is responsible for ensuring that the delivery and standards of the service meet the objectives set out by the Trustees.

FINANCIAL REVIEW

We are reporting on a 12 month period, April 1st 2018 to March 31st 2019.

Gross income of £265,596 was achieved (31st March 2018: £418,101).

Resources expended in the period were £399,483 (31st March 2018: £534,180).

£245,922 (31st March 2018: £268,893) direct transfer costs were incurred in the year.

RESERVES POLICY

It is the policy of the Board to build sufficient unrestricted reserves to cover six months of expenditure. The Trustees have no plans to seek borrowings from any source.

The £81,802 of unrestricted free reserves (unrestricted reserves less any tied up in fixed assets) as at 31 March 2018 (31 March 2018: £204,306) is available to help meet the Charity's running costs and charitable activities. This level of funds is sufficient to cover 5 months of expenditure based on new streamlined cost structure.

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

GOING CONCERN

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


The Trustees have taken notice of the Financial Reporting Council guidance "Going Concern and Liquidity Risk - Guidance for Directors of UK Companies 2009" which requires the reasons for this decision to be explained. The Trustees regard the going concern basis as remaining appropriate as the company has adequate resources to continue in operational existence for the foreseeable future. The Charity has sufficient reserves to make several transfers and the income stream is growing to enable further transfers to be made in the future.

**LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

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

The Trustees' Report incorporating the Directors' Report was approved by the Board of Trustees on

11/09/2019
..... and signed on its behalf by;

Dean Gillespie
Chair of Trustees

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

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

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

In preparing these accounts, the Trustees are required to:

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

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

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

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

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

TC Group

Mr Mark Cummins FCCA FCIE
for and on behalf of TC Group

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

Dated: 19 September 2019

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019


		Unrestricted funds	Restricted funds	Total 2019	Total 2018
<u>Income from:</u>	Notes	£	£	£	£
Donations	3	231,340	6,000	237,340	260,049
Charitable activities	4	28,256	-	28,256	158,052
Total income		259,596	6,000	265,596	418,101
<u>Expenditure on:</u>	5				
Raising funds					
Fundraising costs		129,057	-	129,057	177,930
Charitable activities					
Provision of air ambulance transfers		261,999	8,427	270,426	356,250
Total expenditure		391,056	8,427	399,483	534,180
Net income/(expenditure)		(131,460)	(2,427)	(133,887)	(116,079)
Transfers between funds	14	(1,726)	1,726	-	-
Net movement in funds		(133,186)	(701)	(133,887)	(116,079)
Fund balances at 1 April 2018		317,346	701	318,047	434,126
Fund balances at 31 March 2019		184,160	-	184,160	318,047

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

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	10		102,357		113,039
Investments	11		1		1
			<u>102,358</u>		<u>113,040</u>
Current assets					
Debtors	12	10,854		23,760	
Cash at bank and in hand		92,072		195,392	
		<u>102,926</u>		<u>219,152</u>	
Creditors: amounts falling due within one year	13	(21,124)		(14,145)	
Net current assets			<u>81,802</u>		<u>205,007</u>
Total net assets			<u>184,160</u>		<u>318,047</u>
Income funds					
Restricted funds	14		-		701
Unrestricted income funds			184,160		317,346
			<u>184,160</u>		<u>318,047</u>

The accounts were approved by the Board on 11/09/2019



 Dean Gillespie
 Chair of Trustees

Company Registration No. 06935959

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

1.0 Statutory information

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

2.0 Accounting policies

2.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 Group financial statements

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

2.3 Income

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

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

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

Other income is recorded on an accruals basis.

2.4 Expenditure

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

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

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

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

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

2.5 Tangible fixed assets and depreciation

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

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

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

2.6 Investments

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

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.10 Creditors and provisions

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

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

2.11 Accumulated funds

Funds held by the Charity are either:

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

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

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

2.12 Taxation

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

3 Income from Donations

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Charity boxes	133,693	-	133,693	151,276
General donations from individuals	2,539	-	2,539	2,838
Charitable Trust Donations	55,150	-	55,150	65,525
Other donations	45,958	-	45,958	40,410
	<u>237,340</u>	<u>-</u>	<u>237,340</u>	<u>260,049</u>

4 Income from Charitable Activities

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Grants receivable	-	-	-	94,666
Event income	22,509	-	22,509	38,216
Lottery income	199	-	199	-
Service fees	4,248	-	4,248	23,170
Equipment hire fees	1,300	-	1,300	2,000
	<u>28,256</u>	<u>-</u>	<u>28,256</u>	<u>158,052</u>

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

5 Total expenditure

	Staff costs £	Depreciation £	Other Costs £	Total 2019 £	Total 2018 £
Costs of raising funds					
Fundraising costs	63,267	-	53,962	117,229	162,489
Support costs	991	-	10,837	11,828	15,441
	64,258	-	64,799	129,057	177,930
Charitable activities					
<u>Provision of Air Ambulance transfers</u>					
Activities undertaken directly	117,411	10,682	117,829	245,922	268,893
Support costs	991	-	23,513	24,504	87,357
Total	118,402	10,682	141,342	270,426	356,250
Total expenditure	182,660	10,682	206,141	399,483	534,180

6 Support costs

	Total 2019 £	Total 2018 £
Wages and salaries	1,982	13,104
Professional and legal fees	-	3,635
Recruitment and HR fees	221	7,960
ICT	5,094	10,739
Advertising	2,923	1,480
Printing and stationery	3,263	6,193
Independent examiner	3,840	3,840
Memberships and subscriptions	150	1,183
Travel	2,665	6,160
General expenses	16,194	48,504
	36,332	102,798

These costs include amounts payable to the independent examiners of £3,840 (2018: £3,840) for independent examination and other services.

7 Trustees

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

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

8 Comparative funds – Statement of Financial Activities for the period ended 31 March 2018

		Unrestricted funds	Restricted funds	Total 2018	Total 2017
<u>Income from:</u>	Notes	£	£	£	£
Donations	3	255,049	5,000	260,049	206,394
Charitable activities	4	40,416	117,636	158,052	475,345
Total income		295,465	122,636	418,101	681,739
<u>Expenditure on:</u>	5				
Raising funds					
Fundraising costs		155,193	22,737	177,930	252,610
Charitable activities					
Provision of air ambulance transfers		256,891	99,359	356,250	268,568
Total expenditure		412,084	122,096	534,180	521,178
Net income/(expenditure)		(116,619)	540	(116,079)	160,561
Transfer between funds	14	-	-	-	-
Net movement in funds		(116,619)	540	(116,079)	160,561
Fund balances at 1 April 2017		433,965	161	434,126	273,565
Fund balances at 31 March 2018		317,346	701	318,047	434,126

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

9 Staff costs

The total average monthly number of employees (number of staff employed) during the reporting period was 4 (2018: 7).

Staff costs	Total 2019 £	Total 2018 £
Wages and salaries	165,508	240,882
Social security costs	14,633	22,521
Pension costs	2,519	763
	<u>182,660</u>	<u>264,166</u>
Number of employees whose total employee benefits fall within the following bands:	2019 Number £	2018 Number £
£60,000 - £69,999	<u>0</u>	<u>1</u>

The key management personnel of the Charity comprised the Chief Executive. The total employee benefits of the key management personnel were £39,152 (2018: £67,154).

10 Tangible fixed assets

	Computer equipment £	Plant and equipment £	Total £
Cost			
At 31 April 2018 & 31 March 2019	<u>8,397</u>	<u>125,127</u>	<u>133,524</u>
Depreciation			
At 1 April 2018	6,297	14,188	20,485
Charge for the year	2,096	8,586	10,682
At 31 March 2019	<u>8,393</u>	<u>22,774</u>	<u>31,167</u>
Net book value			
At 31 March 2019	<u>4</u>	<u>102,353</u>	<u>102,357</u>
At 31 March 2018	<u>2,100</u>	<u>110,939</u>	<u>113,039</u>

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

11 Fixed asset Investments

	2019	2018
	£	£
Shares in group undertakings	<u>1</u>	<u>1</u>

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

Since the year end the company is no longer being used and has subsequently been wound up.

Summary balance sheet

	2019	2018
	£	£
The assets and liabilities of the subsidiary were:		
Current assets	1	1
Creditors: amounts falling due within one year	-	-
Total net assets	<u>1</u>	<u>1</u>
Aggregate share capital and reserves	<u>1</u>	<u>1</u>

12 Debtors

	2019	2018
	£	£
Trade debtors	3,416	2,770
Prepayments and accrued income	-	6,985
Other debtors	7,438	14,005
	<u>10,854</u>	<u>23,760</u>

13 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	14,505	2,785
Other creditors	277	287
Accruals	3,840	3,840
Taxes and social security	2,502	7,233
	<u>21,124</u>	<u>14,145</u>

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

14 Restricted funds

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

	Balance at 1 April 2018	Income	Expenditure	Transfers between funds	Balance at 31 March 2019
Mission Fund	701	-	(701)	-	-
Worldwings Fund	-	6,000	(7,726)	1,726	-
	<u>701</u>	<u>6,000</u>	<u>(8,427)</u>	<u>1,726</u>	<u>-</u>

Mission Fund

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

Worldwings Fund

This fund represents incoming resources to be used directly towards the cost of continuing and expanding the number of services carried out by the Charity. The transfer represents a shortfall in funding against the expenditure in the year.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2019 are represented by:			
Tangible fixed assets	102,357	-	102,357
Investments	1	-	1
Current assets	102,926	-	102,926
Creditors: amounts falling due within one year	(21,124)	-	(21,124)
	<u>184,160</u>	<u>-</u>	<u>184,160</u>

LUCY AIR AMBULANCE FOR CHILDREN CHARITY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

15 Analysis of net assets between funds (continued)

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Tangible fixed assets	113,039	-	113,039
Investments	1	-	1
Current assets	218,451	701	219,152
Creditors: amounts falling due within one year	(14,145)	-	(14,145)
	<u>317,346</u>	<u>701</u>	<u>318,047</u>

16 Related party transactions

During the current and prior year there were no related party transactions.

17 Share capital

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

18 Control

No one member has overall control of the Charity.