

Welsh Air Ambulance Charitable Trust

ANNUAL REPORT AND ACCOUNTS

1 August 2022 - 31 July 2023

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COMPANY NO: 4036600
CHARITY NO: 1083645

FOREWORD

This Annual Report covers the 12 months between 1 August 2022 and 31 July 2023, a period when Wales Air Ambulance marked its 22nd anniversary (1 March 2023) with His Royal Highness, The Prince of Wales, being announced as our Royal Patron. This is a significant milestone for a charity that has grown from a one-helicopter operation to become the largest air ambulance service in the UK, with four high-specification aircraft and a fleet of rapid response vehicles.

Our consultant-led service is delivered via a unique Third Sector and Public Sector Partnership. The Emergency Medical Retrieval and Transfer Service (EMRTS) supplies highly skilled NHS consultants and critical care practitioners who work on board our vehicles and together we have become an important part of the critical care provision within Wales, attending life and limb-threatening emergencies across the country. We are a scarce but incredibly valuable resource, on standby for the whole of Wales, 24 hours a day.

Thanks to the generosity of our supporters, we are a beacon of light to those on their darkest days. Jack Howells' story (page 24) pays tribute to those who helped him and highlights the importance of operating a fleet of rapid response vehicles as well as aircraft. It is thanks to this service and the expertise of the clinicians on board that Jack received critical care treatment at the roadside. After suffering a catastrophic head injury, Jack is thriving, but in his mother's words, "the outcome could have been very different".

Our patients are at the heart of

everything we do, and the care we deliver far exceeds reaching the hospital. The Patient and Aftercare Service enables us to support patients and their families after what is usually a very sudden and traumatic event. In February 2023, we opened our first dedicated Patient and Family Room (page 14). This safe and non-clinical space enables patients and their families to talk openly about difficult topics with our Patient Liaison Nurses.

At the same time, we are not afraid to wrestle with difficult choices. Our Strategic Review during 2021/2022 identified that, despite being a leader in our field, we could do even better. During the period of this Annual Report, we have had to stand by whilst NHS Wales has reviewed proposals to improve our services. This has been a difficult time. Nevertheless, we believe that to fulfil our promises to the people of Wales we need to make the best use of our scarce resources and the generous donations that are gifted to us.

Our strength is being a pan-Wales service. Regardless of where they are based, our dedicated crews criss-cross the country to deliver lifesaving care. However, we understand change can cause anxiety, particularly for rural communities where access to public services has become a touchstone issue. Due to some of the external commentary about the service review, it would be easy to forget that it is focused on service improvement – saving more lives across Wales and improving equity of access to the service at night for Mid and North Wales. People have threatened to withdraw funding if we make changes to our service. Nevertheless, we do not pass judgment

on why patients need us and we do not attend only those who fund us. Our commitment to the people of Wales is unconditional. Wherever you are, we will be there for you – now and always.

During the reporting period, we announced our new Aviation partner, Gama Aviation. The decision was made by Trustees following an extensive 18-month procurement process which included input from both aviation and medical professionals. Due to the ongoing global increase in costs relating to goods and services, a like-for-like service was forecast to increase significantly. Therefore, the target to maintain our air ambulance service has risen from £8 million to £11.2 million per year.

Our strategy has enabled us to diversify our income streams, and we will continue to introduce new fundraising initiatives such as the Summer Raffle, to help reach this new fundraising target.

As always, we owe an enormous debt of gratitude to our employees, Trustees, volunteers, supporters and partners. Without their dedication, passion and flexibility the Wales Air Ambulance Charity would not exist. It is because of them, and you, that we are able to serve Wales and save lives.

On behalf of the Trustees, I present to you this report with the financial statements of the Charity for the year ending 31 July 2023.

Dave Gilbert OBE
Chair of Trustees, Wales Air Ambulance Charity





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OUR PURPOSE

About Wales Air Ambulance

Launched on St. David's Day 2001, Wales Air Ambulance delivers advanced lifesaving medical care to people across Wales, 24/7. We are the only air ambulance charity, based in, and dedicated to, the people of Wales and rely entirely on your charitable donations to raise £11.2 million every year to keep the helicopters in the air and rapid response vehicles on the road.

We are on standby to attend those suffering a life or limb-threatening injury or illness, with some of the most advanced air ambulances and rapid response vehicles in the UK. Our Charity is delivered via a unique Third Sector and Public Sector Partnership. The Emergency Medical Retrieval and Transfer Service (EMRTS) supplies highly skilled NHS consultants and critical care practitioners who work on board our vehicles.

We bring the emergency department to the patient.

With bases across Wales, the highly skilled crew on board can carry out medical procedures which would usually only be available within a hospital setting. They can deliver blood transfusions, administer anaesthesia and undertake emergency operations at the scene of an incident, before taking the patient directly to specialist care. For the patient, this can mean hours saved in receiving the appropriate treatment when compared to standard care.

Serving Wales, Saving Lives

Our Charity is on standby 24 hours a day, 365 days a year and has attended over 48,000 missions.

Our Mission

To deliver lifesaving, advanced medical care to people across Wales, whenever and wherever they need it.

Our Vision

To improve the lives of patients and their families by being a world leader in advanced, time-critical care.

Our Operation

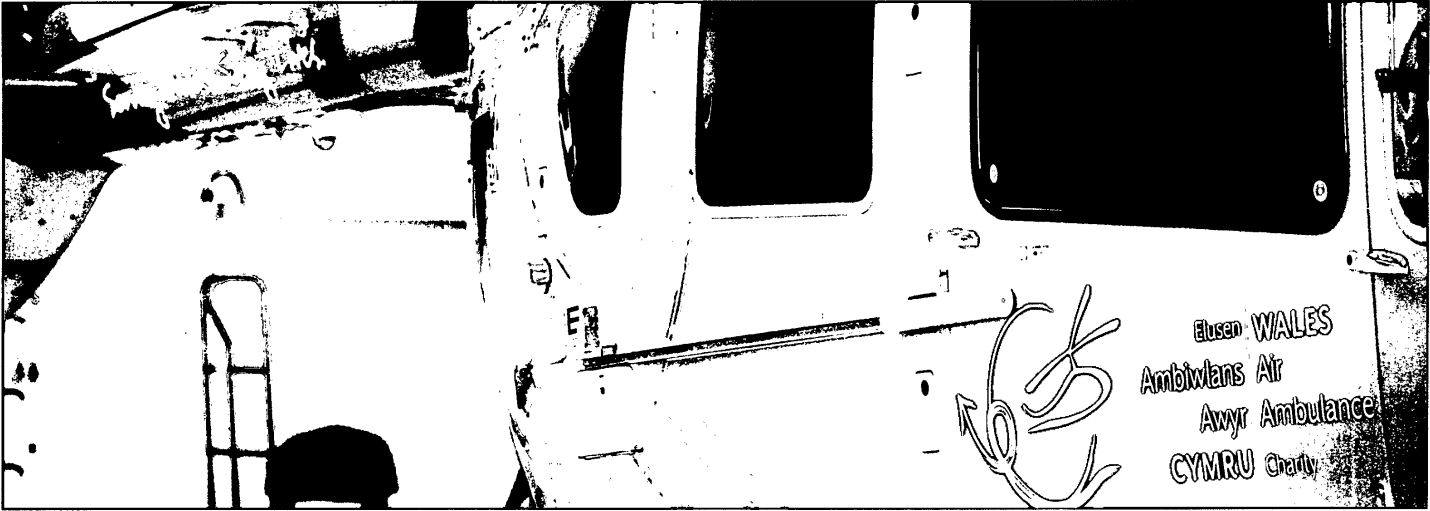
Wales Air Ambulance bases are in the following locations and operate during the stated hours. We are a valuable but scarce critical care resource that offers a specialised service. Therefore, the crews operate pan-Wales. Regardless of where they are based, they travel the length and breadth of our nation to deliver emergency care.

Caernarfon 8am - 8pm ✨

Welshpool 8am - 8pm ✨

Cardiff 24 hours a day ✨🌙

Llanelli 7am - 7pm ✨



THE MEDICAL OPERATION

About the Medical Operation

In April 2015, a new and more advanced medical workforce began to operate from the Wales Air Ambulance bases. The Wales Air Ambulance Charity partnered with NHS Wales to create a consultant-led medical operation - known within the NHS as the Emergency Medical Retrieval and Transfer Service (EMRTS) Cymru. EMRTS Cymru is responsible for the medical workforce and medical governance of the service.

Medical Services

EMRTS Cymru has been developed to bring specific benefits to Wales, specifically:

- Reductions in geographical inequity for patients with critical care needs.
- Health gains by improving clinical outcomes.
- Improved clinical and skills sustainability – improving the clinical skills, recruitment, and retention in key acute care areas.

There is also a service provision for the enhancement of neonatal and maternal pre-hospital critical care (both for home deliveries and deliveries in free-standing midwifery-led units).

The service provides a highly trained critical care team comprising consultants (from an emergency medicine, anaesthesia, and intensive care background) and critical care practitioners (who are advanced-trained former paramedics and nurses). The service has two main areas of activity:

- Pre-hospital critical care for all age groups (i.e., interventions/decisions that are outside standard paramedic practice).
- Undertaking time-critical, life or limb-threatening adult and paediatric transfers from peripheral centres for patients requiring specialist intervention at the receiving hospital.

Dispatch

24 hours a day, an EMRTS Critical Care Clinician and Allocator monitors every 999 call made in Wales to identify which incidents would benefit from EMRTS input. When required, they can dispatch a team from anywhere in Wales and if it is needed, they can send more than one team.

Top Cover Consultant

In addition, there is a separate consultant on call to provide remote advice to EMRTS crews if required. This includes when dealing with very poorly patients, children and complex incidents. They also have a role in the coordination of major incidents. These consultants also work shifts onboard the aircraft and rapid response vehicles.

Five-Year Service Evaluation

In March 2022, we published a five-year service evaluation, strongly evidencing that advanced medical provision by EMRTS is delivering significant benefits for patients and for NHS Wales. Some key findings from the evaluation included:

- **Increased chance of survival** – a significant 37% reduction in mortality after 30 days for patients with serious blunt trauma.
- **Flying emergency department** – 63% of patients have treatments at the scene of their incident, which previously they would have only received within a hospital setting.
- **Taking the patient to the right place, first time** – Thanks to advanced decision-making, 42% of patients bypassed local hospitals to be taken directly to specialist care.
- **Attracting consultants into Wales** – 12 new consultants were recruited into Wales due to the attraction of working onboard Wales Air Ambulance.

EMRTS Service Review

Following this evaluation, EMRTS needed assurance that as many people as possible are benefiting from this lifesaving service. Likewise, as a commissioned NHS service, EMRTS is required to continually review its data and identify opportunities to further enhance the service.

Therefore, EMRTS conducted a detailed analysis of the service's delivery data, current demand, and base utilisation to understand whether we are delivering the most efficient, effective and equitable service for the people of Wales. This included the independent modelling of over 200 different simulations and 41 scenarios that took into consideration all current base options, base moves and changes of shift patterns.



This was compiled into a document known as the EMRTS Service Development Proposal.

The EMRTS Service Development Proposal was submitted to the Emergency Ambulance Services Committee (EASC), made up of the seven health boards across Wales. In November 2022, EASC requested that the EMRTS Service Development Proposal be scrutinised independently - a process now known as the EMRTS Service Review.

The review has been led by the Chief Ambulance Services Commissioner and by the end of this reporting period (31 July 2023) it was still on ongoing. However, the intention is that the approach of undertaking analysis afresh and undertaking formal public engagement will allow EASC to understand the views and concerns of stakeholders, to agree the rules to be followed when developing options and to agree what is important when comparing different options as part of an open, transparent and robust process. The process is to explore and maximise the additional activity that could be achieved from existing bases and explore options to reconfigure the service.

What the review has identified thus far is that:

- There are, on average 2-3 people every day who need the service but do not currently receive it (known as unmet need). These patients will be in a life or limb-threatening situation.
- People in northern parts of Mid Wales and North Wales do not have a localised air ambulance service overnight. Between 8pm and 8am, they rely on a nighttime service from South Wales. This means inequity of service at night for these regions.
- The service's highly skilled medical teams based in Welshpool and Caernarfon and underused.

Like the public, the Charity has been a stakeholder in this process and has no direct involvement. Throughout the process, we have said that we will ensure any independent recommendations put forward will see charitable donations used in the most effective, patient-focused way. This means saving as many lives across Wales as possible and, in doing so, making sure that no community is materially disadvantaged as a result of any changes.

If thorough and compelling evidence is presented in support of a service improvement reconfiguration, the Charity has a moral obligation to act.





Welsh Air Ambulance Charitable Trust

Some key aspects of the Patient Liaison Service are:

- Follow-up visits at varying intervals during recovery, differing from patient to patient.
- Answering questions about the treatment provided before hospital and filling in any gaps. Emotional support for both patients and relatives.
- Signposting to other organisations who can offer additional support.
- The opportunity to pass on a message to the crew via letter or email.
- Bereavement support for those who have lost a loved one.

Since the introduction of the aftercare service in 2020, there has been positive feedback from patients, relatives and staff alike.

The team of two full time nurses, and an administrator, now reviews over 250 cases per month, and directly contacts 70 relatives and patients, resulting in around 20 appointments per month. In addition, the team attend an average of 13 multidisciplinary hospital meetings per month, ensuring that patients that may benefit most from the service are identified as early as possible. They also attend regular meetings with charity colleagues to coordinate patient stories and contact.

In March 2023, the Charity opened a dedicated Patient and Family Room, enabling patients and their families to talk openly about difficult topics in a safe and non-clinical space. You can read more about this on page 14 and 15.

Our patients often have to endure enormous physical and mental challenges after initial treatment and at times, they do not feel that they have sufficient information about their care or access to help.

The jointly funded nurse-led aftercare service aims to provide vital post injury or illness support and guidance for our patients, assisting their recovery and transition back to independent living. Frequently, patients and their families contact us during their recovery to express their gratitude and to find out more about what happened to them. Many of them were so critically unwell that they have no recollection of the treatment they received.

Patients who have been attended to by Wales Air Ambulance have likely suffered serious trauma, and it can be difficult for both the patient and their family to come to terms with what happened. As a service, we recognise the importance of an ongoing relationship with patients following their contact with our clinicians.

Patient Aftercare Service

THE PRINCE OF WALES BECOMES ROYAL PATRON OF WALES AIR AMBULANCE

On the eve of St David's Day, 2023, Wales Air Ambulance was proud to announce His Royal Highness, The Prince of Wales, as Royal Patron; the first Welsh patronage for The Prince since receiving the title of Prince of Wales.

The announcement was made during a royal visit to the Charity's headquarters where The Prince and Princess of Wales officially opened a new Patient and Family Room, which was dedicated in memory of father-of-two Arwel Davies, who tragically died in a road traffic accident, aged 40.

Their Royal Highnesses met emergency workers, volunteers, past patients and supporters of the Charity.

The room, which was supported by 2wish Charity, provides a safe, private, and inviting space for families dealing with bereavement and trauma and was designed by Patient Liaison Nurses Jo Yeoman and Hayley Whitehead-Wright as well as Arwel's children Owen and Sofia, who chose what they wanted to

be included in the room.

The children also helped to paint the first part of the room and drew balloons in memory of their father, whose passion was hot-air ballooning. A specially designed hot air balloon now hangs in the room as well as a framed picture that Owen drew in memory of the dad-of-two. The Davies family, of Llandovery, spoke with Their Royal Highnesses privately in the room before Sofia presented Princess Catherine with a bouquet of flowers and Owen presented Prince William with a framed picture of the Charity's helicopter.

Former Wales and British and Irish Lions rugby international, James Hook, who is an Ambassador for the Wales Air Ambulance, also attended the opening.

He said: "It was a real honour. I was fortunate enough to meet Arwel's family and talk to Owen and Sofia about their love of rugby. The family were all lovely and incredibly welcoming to myself and my wife Kim, as were

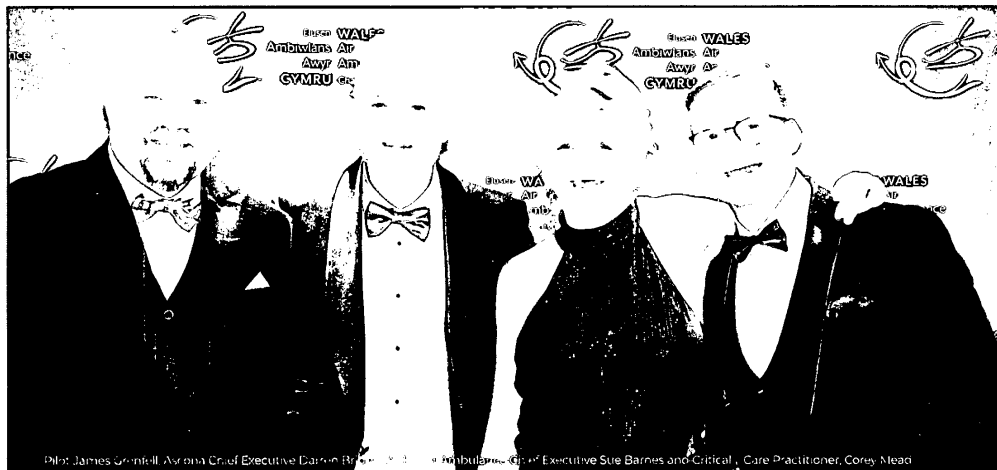
the other guests and charity staff.

"The room itself is absolutely amazing. It's such a wonderful idea and will allow patients and families to feel safe and secure whilst talking with the Patient Liaison Nurses. It was a very special day and having The Prince and Princess of Wales attend seemed like a perfect fit. It was a privilege to be invited." Sue Barnes, Chief Executive of the Wales Air Ambulance Charity, said: "It is an immense honour for our charity to welcome His Royal Highness The Prince of Wales as our Royal Patron. The Prince has first-hand experience of working in the unique and often challenging air ambulance environment.

"We look forward to our new relationship with The Prince as our charity continues to support a lifesaving service for the people of Wales."

The royal visit also coincided with the Charity's 22nd birthday.





Pilot James Griffiths, Ascona Chief Executive Darren Brown, Wales Air Ambulance Chief Executive Sue Barnes and Critical Care Practitioner, Corey Mead

FUNDRAISING STORIES

The following stories refer to a small number of the fundraising activities undertaken on behalf of the Wales Air Ambulance Charity.

Sheep shearers flock together to raise a staggering £46,275 for the Wales Air Ambulance

Cneifio Cylch held a sheep shearing family day in memory of group member and local farmer John Owen, which saw more than 700 people descend on the Bull Inn in Llane-chymedd Anglesey.

The day started with a sheep

shearing competition, followed by a charity auction which raised more than £33,000 alone. There were also food and drink stalls, competitions, a bouncy castle, a hog roast and entertainment.

Over the years the group has raised around £97,000 for the Charity.

Alun Jones, Chairman of Cneifio Cylch, said: "John was very popular, and we decided to hold the day in his memory. Everyone was keen to make it the best one to date. He was also a well-known supporter of the Wales

Air Ambulance, so we decided to donate all the proceeds to the Charity."

Boy who survived M4 crash takes on Charity walking challenge to say thanks

Cian Evans, aged 8, from Swansea, raised £770 for the Wales Air Ambulance as a thank you for saving his life. Cian was two-years-old when he was airlifted to hospital with two broken legs, a fractured skull



and a bleed between his brain and skull. His mum Rebecca Evans sadly died in the incident.

He signed up to the Charity's annual virtual fundraising campaign, Walk Wales and walked 100km throughout May 2023.

Dad Alex said: "We are forever grateful for the Wales Air Ambulance, if it didn't exist then Cian may not be here with us today."

Generous couple ask for donations on wedding day

Mid Wales couple Jayne and Dylan Andrew raised a staggering £5,520 by asking guests to donate to the Wales Air Ambulance instead of buying them wedding gifts.

They were married in Llandysil Church and had a reception at Jayne's family farm in Abermule in August 2022.

Jayne said: "Thankfully we haven't had to use the service. However, with our family growing, we wanted to support the charity to ensure its accessible in the future."

Christmas Challenge raises over £21,000 in one week

The Charity took part in the Big Give's annual match funding campaign in December 2022 for the first time and raised £21,389 in seven days.

Anybody who donated within a certain time frame would have their donation doubled.

The theme was 'Our Christmas Heroes', which highlighted the work of the medics, pilots, allocators and crew who work over Christmas. The Charity

received match funding from Ashmole & Co and The Charles Hayward Foundation, which was boosted by Candis Club.

Ascona Group to support Wales Air Ambulance through new partnership

Forecourt operator Ascona announced Wales Air Ambulance as its Charity partner for 2023, and have continued that support into 2024.

Ascona marked the partnership by making an initial donation of £10,000 and enabled 25p donations to be paid via card machines across all its sites in Wales. The company committed to match each donation up to the total value of £50,000 and have been actively promoting the Charity's 'Lifesaving Lottery'. The Charity also receives a share in the proceeds of Nisa Retail's 'Making a Difference Locally' fund.



John Owen

SUMMER RAFFLE

The Wales Air Ambulance launched its Summer Raffle in May 2023 with the support of Welsh legend Max Boyce and managed to raise more than £50,000 for the Charity.

The Glynneath singer, comedian and entertainer has been a supporter of the Charity since its inception after watching his friend's grandson being airlifted to hospital following a rugby match at Glynneath RFC's ground, in what was Wales Air Ambulance's first ever mission.

The top prize was £3,000 with a second prize of £500 and third prize of £300.

Beverley Lewis, of south-west London won the first-place prize and rather than keep her winnings, she donated it back to the lifesaving Charity as a thank you for helping to save her life.

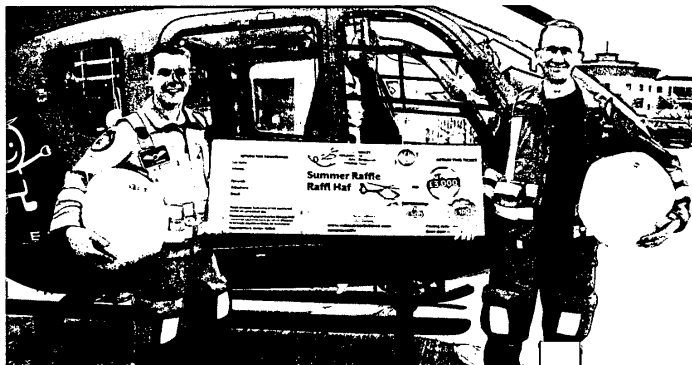
Kind-hearted Ms Lewis benefitted from the service in September 2022 when she was involved in a road traffic collision in Bala on her way to North Wales on holiday.

The crew onboard Wales Air Ambulance provided advanced critical care that proved to be instrumental in stabilising Beverley before airlifting her to the major trauma centre at The Royal Stoke University Hospital,

where she spent nine days and underwent surgery.

The retired solicitor entered the raffle after receiving an email from the Charity as a way of expressing her gratitude to the Wales Air Ambulance. In fact, her winning ticket was one of the first tickets bought.

She said she was extremely surprised to win but had no hesitation in donating her winnings straight back to the Wales Air Ambulance Charity.



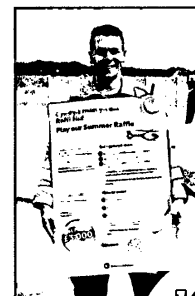
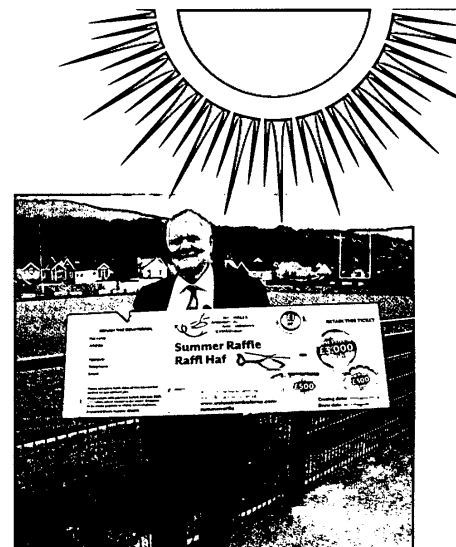
She said: "I am not in the habit of winning competitions or raffles. I initially considered sending a cheque donation but then I thought, if I did win, I could give the prize back to the Wales Air Ambulance, so I bought £20 worth of tickets.

"I can't fault the work of the Wales Air Ambulance and I am extremely glad that I can give the money back to such a worthy cause."

Phae Jones, Wales Air Ambulance's Senior Individual Giving and Legacy Manager, thanked everybody for supporting the summer raffle and expressed her heartfelt gratitude to Beverley for her remarkable generosity.

She said: **"We are thrilled with the success of the Charity's Summer Raffle and are very grateful to all of our staff and volunteers who got involved in spreading the word and engaging with our local communities in buying and selling raffle tickets.**

"To hear the story of our top prize winner's first-hand experience of our lifesaving service and her decision to donate back her winnings is incredibly humbling. Thank you very much."



1st Prize:
£3,000
cash

OTHER NEWS

Apprenticeship success

Wales Air Ambulance saw its first apprentice, Leon Neilly, become the first to qualify, closely followed by Jack Tancock. Both Jack and Leon have been awarded a Level 2 Diploma in Warehouse Recycling and Sustainability, whilst being based at the Wales Air Ambulance shop and warehouse in Cwmdau, Swansea.

The apprenticeship scheme has enabled them both to learn and develop their skills while earning a salary. Both have learnt, amongst other things, how to identify suitable donations, not just for the shops but also for the Charity's e-commerce platform and to identify suitable items for recycling.

Leon said: "I feel very proud working for the Charity. I would definitely recommend an apprenticeship to anyone." Jack said: "I am very grateful to Wales Air Ambulance for

giving me this opportunity. It has provided me with the opportunity to learn whilst also earning a salary."

Both Jack and Leon remain working for the Charity.

Charity Praised for Innovative Digital Project Supporting its Lifesaving Work

The innovative use of automation within the Wales Air Ambulance Charity has been praised by the digital technology community.

The digital initiative, designed and delivered in partnership with Arvato CRM Solutions, involves the automation of the Charity's in-house 'Lifesaving Lottery'.

The project has combined Arvato's finance process expertise with robotic process automation (RPA) technology to create digital workers that mimic how human employees would

interact with the Charity's lottery system.

The technology automatically inputs and updates players' data into the lottery and direct debit systems, and generates sign-up letters and direct debit forms, which it then sends by email. It also actions daily BACS reports, helps to maintain the Charity's payment records, runs the lottery draw and generates letters for the winners.

So far, the new automated system has reduced the time spent by Wales Air Ambulance employees on daily BACS reports by 50%, and cut time spent on adding new members to the lottery system by up to 92%. By sending new member letters by email, instead of post, the system is more environmentally friendly and will save the Charity thousands of pounds every year.

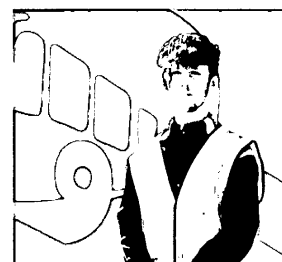
The project was highly commended during the Digital Technology Leaders Awards in July 2023.

Retail Update

Wales Air Ambulance officially opened its first retail and community hub in the heart of Caernarfon.

The shop, in Pool Side, opened its doors on Wednesday 30 November 2022 and its new location provides more room for items as well as more storage space than its previous High Street shop.

It was the first community retail hub in Wales for the lifesaving charity and not only offers preloved clothing and homeware but furniture items as well. It also homes a café selling a range of locally sourced products and is a popular community space for customers. Rob Coles, Head of Retail for the Wales Air Ambulance, said: "The shop has been very well received. It is great to invest in a town that is so supportive of our cause."



New Aviation Provider

New Aviation Partner for all-Wales Charity

In March 2022, Wales Air Ambulance announced its new aviation partner - Gama Aviation Plc.

Gama Aviation successfully bid for the seven-year contract to provide aviation services to the air ambulance in Wales. The Gama contract, valued at £65 million, covers the operation and maintenance of a primary fleet of four Airbus H145 helicopters, operating from the Charity's current sites in Dafen, Cardiff, Caernarfon and Welshpool. It additionally includes a backup H145 helicopter to ensure service continuity during periods of maintenance for the primary fleet.

The decision was made by the Charity's Trustees following an extensive 18-month procurement process which included input from both aviation and medical professionals.

David Gilbert, Wales Air Ambulance Chair of Trustees, said: "After a robust procurement process, we were delighted to

announce Gama Aviation as our next aviation partner. They are a forward-thinking and ambitious company with experience of helicopter emergency medical services in Guernsey and Jersey, as well as in Scotland. We look forward to working with them in the years to come."

Due to the ongoing global increase in costs relating to goods and services, a like-for-like service with a new long-term aviation contract was forecast to increase significantly. Therefore, the target to maintain the air operation, alongside the rapid response vehicle capability, has risen from £8 million to £11.2 million per year.

Dr Sue Barnes, the Charity's Chief Executive, said: "We were aware that we would face significant increases in re-contracting costs. In many ways, that is the inevitability of long-term contracting arrangements, but global factors also exacerbated this.

"A like-for-like aviation service now totals just over £3 million more per annum. We were faced with a stark choice – to cut our cloth according to our existing levels of donations and reduce the number of aircraft, or rise

to the challenge of maintaining our existing fleet, with the passionate and ongoing support from the people of Wales. We agreed that the right thing to do was to maintain our existing fleet."

In a time of global uncertainty, Wales Air Ambulance added an additional layer of protection to the service, by taking on the direct lease for three of the four aircraft.

Dr Sue Barnes added: "Our historical contracts saw our suppliers holding the leases for all aircraft. That felt like a potential risk to our services, particularly at a time of global uncertainty. So, to protect our lifesaving service, Trustees agreed that three of the aircraft in our service would be directly leased to the Charity. Therefore, Gama will operate and maintain four aircraft, plus a backup helicopter, on behalf of the Charity but the Charity will be the direct leaseholder for three of them. Consequently, the figure of £11.2m as our new fundraising target for 2024 represents our Gama contract, direct lease costs and fuel costs."



Our Purpose and Achievements // Other News

JACK'S STORY

In February 2023, every parent's worst nightmare came true when 13-month-old Jack Howells toppled over and hit his head on the floor at home.

At first, mum and dad, Jess and Jamie, of Carmarthenshire, put it down to a typical toddler accident and thought he would feel better after a few kisses and cuddles. Jess' intuition told her that something was wrong, and soon after, Jack became disorientated and tired, so they immediately decided to take him to A&E to get checked over.

Unfortunately, while on route, Jack took a dramatic turn for the worse and he started vomiting, so they pulled over and immediately dialled 999. His condition deteriorated rapidly, and Jack continued being sick and became pale, floppy, and unresponsive.

Llanelli First Responders and paramedics were called, and due to the severity of Jack's condition, called for the support of Wales Air Ambulance. The adverse weather that day meant the critical care teams were

operating out of the Charity's fleet of rapid response vehicles.

On arrival, Dr Mike, and Critical Care Practitioner Rhyon, were worried that Jack had a bleed on the brain.

To protect his brain and to give him the best possible chance of survival, the crew gave him a general anaesthetic, medication to help minimise the bleed and placed him on a ventilator to control his breathing. Without this treatment, Jack wouldn't have made it to hospital.

Jess said: "As parents, what we were experiencing was something that would only happen in a nightmare. We gave him a kiss so that he knew we were with him, and it was at that point that we saw the tiny neonatal ventilator kit. Jack looked so small and fragile.

"We were unable to travel with Jack but received a police escort. We didn't know if he would survive and before setting off, they gave us an opportunity to say goodbye. The journey seemed like the longest of our

lives."

Jack suffered a large bleed on the brain and had fractured his skull and required emergency neurosurgery.

After a successful operation, the toddler continued to thrive and is continuing to reach all his milestones.

Jess said: "It could have been so different for us, and we are so lucky we still have our little boy here. Jack is a typical boy, who loves cars, trains and now helicopters. He is always on the go and smiling.

"We will forever be indebted to the Wales Air Ambulance."

ANONYMISED CASE STUDIES

Patient 1

The EMRTS critical care team onboard Wales Air Ambulance were dispatched to a road traffic collision where a female in her 50's was riding a motorbike along a country lane in mid Wales, when she swerved to miss a fallen branch in the road and came off her bike. It was reported that she had lost consciousness immediately after the incident. On the team's arrival she was lying in the middle of the road with multiple people around her. She was awake and breathing on her own.

Following a rapid assessment by the critical care team, the lady was displaying signs of a potential head injury; she was confused, agitated and her conscious level was fluctuating. The decision was therefore made to give the lady a general anaesthetic and intubate her, enabling the team to take over her breathing. By doing this the team were able to protect her airway and help reduce possible pressure on her brain.

She had also sustained an open fracture to her arm which the team dressed and applied a splint too, in order to keep her arm in alignment.

She was flown directly to the major trauma centre in the University Hospital of Wales. Following a trauma CT scan which identified that she did not have a head injury she was woken up and taken off the breathing machine. She needed extensive surgery for her fractured arm with several trips to theatre. She has since been discharged home.

Patient 2

The Wales Air Ambulance and EMRTS were dispatched to attend a 79-year-old gentleman who had been experiencing central chest pain. On arrival, the patient was awake and talking but almost immediately proceeded to have an out of hospital cardiac arrest. The critical care team commenced mechanical CPR by using the LUCAS device and provided oxygen and artificial breathing via a bag and mask. They attached a defibrillator to the gentlemen's chest which showed that his heart was beating in a disorganised rhythm. Following one round of CPR and one shock the gentleman's heart started to beat in a normal rhythm and he started to breath independently. The team completed an ECG which is an electrical tracing of the heart and found that the gentleman was having a heart attack and needed immediate cardiac treatment.

The gentleman was admitted to hospital, and following a closer look in the cardiac cath lab he had a stent inserted into one of his arteries in his heart. This opened the blockage that had caused the heart attack and cardiac arrest.

The gentleman spent several days in hospital and has since been discharged home after making a full recovery.

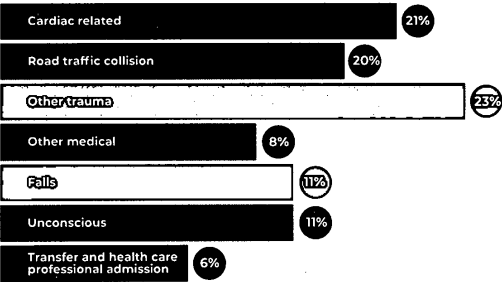


AUGUST 2022 – JULY 2023 MISSION DATA

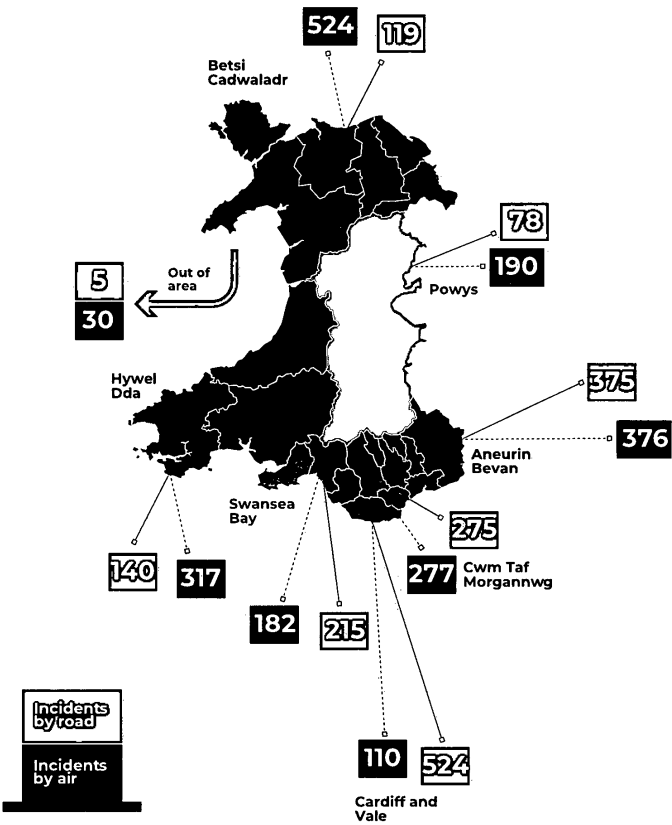
Total number of calls - 3,737

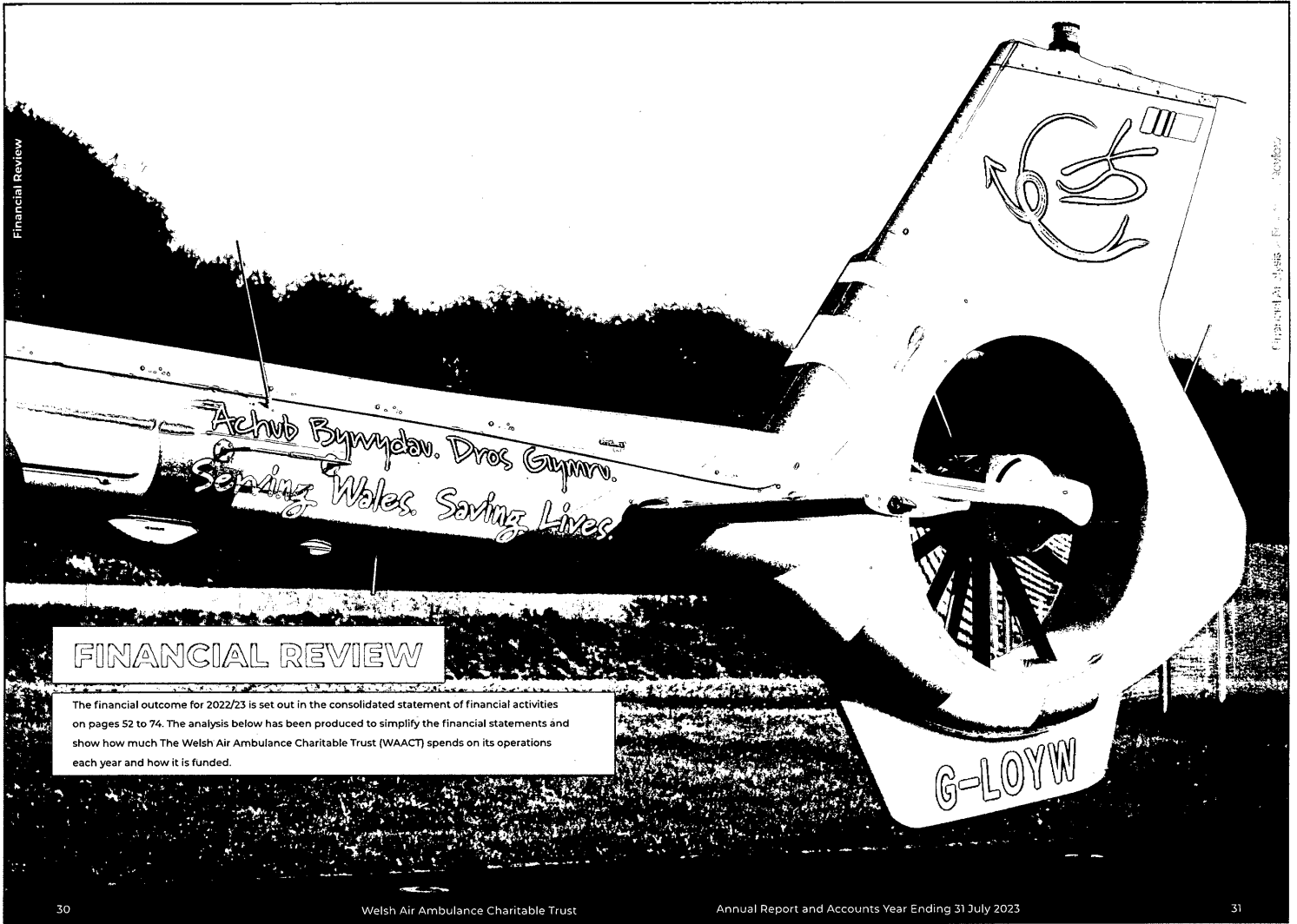


Cases attended by category



PATIENT DESTINATIONS





FINANCIAL REVIEW

The financial outcome for 2022/23 is set out in the consolidated statement of financial activities on pages 52 to 74. The analysis below has been produced to simplify the financial statements and show how much The Welsh Air Ambulance Charitable Trust (WAACT) spends on its operations each year and how it is funded.

Financial Analysis

The result for 2022/23 was a surplus of £0.71 million (before gains on investments).

Income was in line with the previous year, totaling £15,317 million, whilst the cost of generating income and the spend on charitable activities increased by £0.96 million and £15,000 respectively.

INCOME	2022/23	% change	2021/22
	£'000s		£'000s
Donations	2,772	21%	2,290
Legacies	3,064	-32%	4,481
Weekly lottery	7,219	9%	6,622
Retail income	1,344	3%	1,305
Heliport commercial income	637	13%	567
Investment income	273	130%	119
Other income	8	-53%	17
Total income	15,317	-1%	15,402
Cost of raising funds	(6,009)	19%	(5,054)
Amount available for our Charitable services	9,332	-10%	10,348
Invested in:			
Helicopter operational costs	(7,559)	-4%	7,861
Airbase running costs	(242)	113%	114
Rapid response vehicle running costs	(155)	200%	52
Patient Liaison Service	(82)	364%	18
Aviation contract re-procurement	(105)	195%	36
Depreciation of assets	(42)	-1%	43
Clinical staff costs & medical supplies	-	-100%	154
Support costs	(411)	155%	161
Expenditure on charitable activities	(8,596)	1%	(8,439)
Surplus	712	-63%	1,910

Income Available for Charitable Spend

A summary of our core income streams and movements against the prior year is provided below.

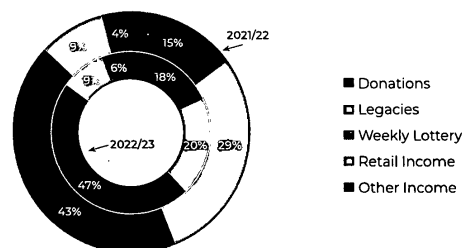
Donations (£648,000 / +21%) - Donations increased once more in 22/23, almost returning to pre pandemic levels in 2019. Income growth from community fundraising was the main attributing factor, and once more a measure of the generosity and incredible support that the Charity receives from the people of Wales.

Legacies (£1,418,000 / -32%) - Legacy income fell by 32% in 2022/23 despite the number of legacies increasing by 12.7% to 124. In the prior year however, the Charity received the largest legacy in its history (over £1.3 million) which was the main reason for the difference year on year.

Weekly Lottery (£659,000 / +9%) - Income from our Lifesaving Lottery has once again increased thanks to the continued growth in membership levels. Membership stood at over 145,000 at the end of the reporting year, an 11,000 increase on the previous year.

Retail Income (£39,000 / +5%) - Despite income remaining similar to the previous year, 2022/23 saw a number of changes within our retail portfolio. Both the Caernarfon and Bangor stores were relocated to new and improved premises, and we opened a new flagship store in Mold. Many of the stores also underwent a re-brand and/or refit as part of the Charity's strategy to invest in its future retail offering.

Heliport Commercial Income (£71,000 / +13%) - The Charity's trading subsidiary continues to operate commercially at Cardiff Heliport with income largely derived from fuel sales. Activity levels over the past couple of years have been consistent, but fuel price movements have increased income year on year.



Costs of raising funds

The cost of generating income increased by £0.95 million (19%). The increase in fundraising activity during 2022/23 was needed to generate additional income in the coming years. The return on this investment helped to increase our fundraising income and acquire 34,000 new supporters (including 26,000 new lottery members). This will help to pay for our significantly higher aviation costs (from 2024) and future improvements to the lifesaving service, as well as helping us to cope with an uncertain economic environment and the rise in costs from inflation.

Expenditure on Charitable Activities

Charitable spend increased by £115,000 (1%) compared with the previous year.

The Charity has increased its investment in its airbases, particularly in relation to safety, maintenance and repair, and as a result of this, airbase running costs are up to £242,000 this year (£129,000 higher than last year). Costs associated with the rapid response vehicles and patient liaison service increased significantly compared with the prior year (£103,000 and £64,000 respectively) due to it being the first full year of funding these elements of the service.

Helicopter operating costs fell by 4% (£303,000), in part due to a 2% reduction in flying hours. Clinical staffing costs also fell since the Charity stopped funding any clinical staff wages (£154,000 in prior year) in April 2022.

As the Charity entered into its final year of the Aviation operating contract with Babcock, a 7 year contract was signed with Gama Aviation to provide aviation services in Wales. Our historical contracts saw our suppliers holding the leases for all aircraft but as described on page 22, Trustees felt this was a significant risk, and agreed that three of the aircraft in our service would be directly leased to the Charity. Therefore, Gama will operate and maintain four aircraft, plus a backup helicopter, on behalf of the Charity but the Charity will be the direct leaseholder for three of them.

Legal and professional fees associated with the Aviation contract re-procurement and aircraft leases totalled £105,000 in the year, up from £36,000 in 2021/22.

Our Funds

The Charity held a number of funds (reserves) as at 31 July 2023. The total of which was £16.2 million (2022/23: £15.4 million). These comprised:

All figures in £'000s	2023/24	2022/23
Fixed Asset Funds	1,604	1,426
Restricted Funds	84	95
Designated Funds:		
MEDTRIM	66	67
Aircraft procurement	350	350
Future Aviation Contract	4,700	4,700
Helicopter upgrades	150	-
General Funds	9,227	8,807
Total Funds	16,180	15,445

Designated Funds

These reserves represent funds that have been designated for a particular purpose by the Trustees.

Designated funds are made up of:

MEDTRIM

Funds that aims to raise awareness about mental wellbeing and resilience across the service and involve the introduction of a formal approach for supporting Clinical staff following exposure to a traumatic event.

Aircraft procurement

The Charity's historical Aviation contracts saw its suppliers holding the leases for all aircraft, however to protect the Charity's lifesaving service, Trustees agreed that at the end of the existing contract (31 Dec 2023) existing contract (31 Dec 2023) three of the aircraft will be directly leased to the Charity. Trustees have therefore designated funds for the security deposit of these aircraft.

Future Aviation contract

The Charity will see a significant rise in its Aviation costs from 2024 as it enters in to a new Aviation contract. Whilst the Charity has plans to increase its income to ensure it is able to meet the increased service delivery costs in the long term, this is likely to take several years to achieve. Trustees have therefore designated funds to cover the forecasted deficits to ensure that the Charity can maintain its existing level of service provision until such time.

Helicopter upgrades

As described above, three of the Charity's aircraft will be leased directly by the Charity from 2024. In accordance with these leases, the Charity will upgrade these H145 helicopters with a new five blade rotor head. This will reduce vibrations and improve handling and stability, providing improved comfort for the Charity's patients and crew as they operate. It will also provide greater weight allowance, resulting in the Charity being able to carry more fuel, equipment or another person such as a patient's relative.

Restricted Funds

These are funds that can only be used for particular purposes as specified or agreed by the Donor. Most restricted funds relate to donations or legacies to be spent on a specific aircraft/airbase and are spent during the year in which they are received.

General Funds

These are the reserves remaining when restricted and designated funds are excluded from the total amount. General Funds are held so that the Charity can continue its operations in the event of an unforeseen shortfall in voluntary income or increase in costs.

Reserves Policy

All charities are required to consider how much money they need to hold in reserves. The extent varies depending on the scale and nature of the charity's activities.

Wales Air Ambulance's reserves policy aims to balance the need to maximise service delivery for given income, whilst managing financial risk and income volatility.

This policy is reviewed annually by the finance committee, and subsequently reviewed by the Board of Trustees.

WAACT provides an air ambulance operation for the people of Wales and to fund this service, we rely on a number of fluctuating income streams including donations and legacies.



To enable us to provide our lifesaving service in the future, we need to maintain a level of free reserves so that we can continue our operations in the event of an unforeseen shortfall in voluntary income or increase in costs. This is known as our target reserves.

The Trustees consider the following factors in order to determine an appropriate target level of free reserves:

- Forecasts for levels of income in future years, taking into account the reliability and growth of each source of income and the prospects for opening up new sources.
- Forecasts for expenditure in future years on the basis of planned activity, taking into consideration inflationary pressures and the challenging external economic environment.
- The future strategic plans of the Charity over the medium to long term.

The Trustees calculate the amount required to be held in target reserves based on the assessment of the risks affecting the income and expenditure of the Charity on an annual basis, and a sum is held to cover the potential shortfall for each element of income and expenditure.

Based on these calculations, the Trustees have agreed a target reserves range of between **£8.6 million** to **£10.5 million**.

General (free reserves) are currently £9.2 million, and therefore within the target range. The Trustees will monitor this closely and should the free reserves level move outside of this range, management will prepare a plan to be approved by the Board, to restore them to within the target range.

Going Concern

The Trustees have considered both the Charity's financial position at the year end and the impact of future activities. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Wales Air Ambulance continues to manage key risks through our well established risk management processes which have been embedded and have proved robust; for more information, please see page 42.

Cash and reserves are monitored closely, with detailed short and long term forecasts prepared annually and regularly reviewed and updated to ensure the long term financial viability of the Charity. A risk-based reserves policy has been adopted; more details of this can be seen above.

The Charity has a strong balance sheet with unrestricted funds of £9.2 million. Any shortfall in income over the next 12 months can be covered by the Charity's cash reserves and investment funds, which total £8.2 million and £4.1 million respectively.

The Trustees, therefore, have a reasonable expectation that there are no material uncertainties about the charity's ability to continue its operations, including to meet its liabilities, for the foreseeable future. As such, the Charity continues to adopt the going concern basis in preparing the financial statements.

How We Invest Our Funds

The Trustees are permitted by the Charity's Articles of Association to invest any money not immediately required for its purposes in or upon such investments, securities or property as may be thought fit.

The Restricted and Designated Reserves (excluding the Tangible Fixed Asset Fund) are held as cash investments/deposits, whereas the General Reserves are held in a variety of investments according to the policy set out below.

Investment Policy

The objectives are to achieve capital growth, adopting a moderate risk approach and complying with the Trustee Investment Acts.

The investments are managed by independent investment managers, Brewin Dolphin Limited, appointed by the Trustees. These investments mainly comprise UK and international equities and fixed interest securities. The Trustees rely upon specialist advice for manager selection and allocation. The performance of our investment advisers and our investment portfolio is monitored by the Finance Committee.

We have adopted an ethical investment policy to ensure that our investments do not conflict with our aims and support Wales Air Ambulance's values as much as possible. Our investment managers actively monitor and engage with the companies in which they invest from an environmental, social and governance (ESG) perspective, using proprietary research, engagement and voting rights to influence change.

Investment managers have also been instructed not to invest directly in any organisation where more than 10% of turnover is derived from the manufacture or distribution of alcohol or tobacco industries.

A company's response to a material allegation of a breach of child exploitation conventions must be graded at least 'robust' in nature by VigeoEIRIS to justify retaining it within the portfolio.

The Trustees do not have a specific target level of income and income generated is currently reinvested in the portfolio. The Charity has agreed a long-term time horizon for its investments and is able to weather short-term volatility in order to meet its long-term objectives. The level of investment risk taken is reviewed regularly in conjunction with our investment advisers and has been appropriately mitigated by apportioning the funds into a well-diversified balanced portfolio.

The Investment policy is reviewed by the Board annually and is regularly reviewed by the Finance Committee.

Performance

The value of the investments rose by £85,434 over the financial year. This represented a rise of 2.78% as compared with the benchmark rise of 3.74%. The closing balance of the Charity's investments as at 31 July 2023 was £4.1 million, up from £4.0 million a year earlier.

The Trustees regularly review the level of risk taken, to ensure its comfortable with the degree of market volatility that the Charity is exposed to, and takes a long-term view over its investments.

GOVERNANCE

Structure and Management

Wales Air Ambulance Charity is a charitable company limited by guarantee (registered number 04036600) and a registered charity in England and Wales (charity number 1083645). The Charity's constitution is its Articles of Association, which are available on the charity's website.

Subsidiary

The charity's principal subsidiary undertaking as at 31 July 2023, Welsh Air Ambulance Trading Ltd, is wholly owned and registered in England and Wales. Details are included in note 17 (see page 67) to the financial statements.

Our Trustees

The Charity is governed by the Board of Trustees who are legally responsible for directing our affairs. The Board determines the charity's long-term strategy and approves the annual business plan and budget. Specific responsibilities are delegated to five committees which report back to the Board on a quarterly basis. The Board delegates the day-to-day management of the Charity to the Chief Executive and Senior Management Team.

Members of the Board of Trustees are also directors of the Charity for the purposes of company law. There is currently no upper limit to the time that an individual can be a Trustee, but one third of all Trustees are required to retire by rotation each year and, if willing to continue, offer themselves for re-election. The Trustees to retire by rotation are those who have been longest in office since their last appointment or reappointment.

Trustees are selected for their abilities to make an effective contribution to the Charity. All new Trustee appointments are evaluated against the existing skills, experience and knowledge on the Board. The Charity strives to ensure it has representation from all across Wales.

All new trustees undertake an induction programme, which includes visits to airbases where they are given the opportunity to meet with some of the operational team and learn more about the service and aircraft, coverage of the Charity's aims and how they are being fulfilled, the role and duties of the Trustees, company and charity law and governance, and financial and risk management. Trustees meet with the Chief Executive, members of the Senior Management team and other relevant parties. Trustees are also provided with peer support via another Board member for the first year to ensure they have a direct point of contact for further support. Additional training is arranged as required for individual Trustees or for the Board as a whole.

Each Trustee is required to disclose actual or potential conflicts of interest to the Charity as part of the annual review and at the start of every meeting.

The Board meets regularly to review and direct the Charity's strategy, budget and performance. Certain matters are reserved for Board approval, including changes to strategy and budget. There were six Board meetings during the year, the table below sets out individual attendance by Trustees.

Trustees	Meetings attended	Maximum possible
Dave Gilbert OBE	6	6
Des Kitto	5	6
Mark James	6	6
Dr Kyle Jacques	6	6
Dafydd Jones-Morris	4	6
Amanda Burdge	6	6
James Wagstaffe	6	6
Stephen Curtis	6	6
Owain Davies	5	6
Richard Locke	4	6
Louise Church	4	6
Stephen Ley	5	6

As previously reported, the Board has adopted the principles of good Governance in the Charity Good Governance code. The Trustees have taken account of the Charity Commission's general guidance on public benefit when reviewing the Charity's aims, objectives and in planning future activities.

Board Committees

To perform its role effectively, some of the main Board responsibilities are delegated under defined terms of reference to five Board committees. They consist of at least two Trustees, one of whom is elected as Chairperson, and a member of the Senior Management Team. A summary of the role and purpose of each of the committees is provided below.

HR and Organisational Development

The overall purpose of the Committee is to actively initiate, help develop, monitor and evaluate the strategic Human Resources and the Organisation Development actions and policies that will enhance and embed WAACT's reputation as an employer, and enable WAACT to recruit, develop, engage and retain skilled staff, volunteers, and Board members/Trustees. Meetings are held a minimum of four times per year.

Finance

The Finance Committee's role is one of strategic direction and oversight of the organisation's finances and investments. The committee considers and reviews all financial aspects of charity operations so as to ensure the short and long-term viability of the Charity. The committee also reviews the findings of the external auditors including recommendations regarding improvements to the system of internal control. Meetings are held a minimum of four times per year.

Aviation

The committee oversees all aviation aspects of charity operational facilities and bases as well as the charity's aviation related strategic direction. The Committee provides recommendations to the main board regarding the aviation services, contract and research and development. Meetings are held a minimum of once per year.

Health & Safety

The Committee oversees the organisation's health and safety (H&S) strategy as it relates to the Health and Safety at Work Act and our accountabilities as an employer. It advises and reports to the Board on H&S risks, the organisation's health and safety controls and procedures, and performance against agreed key performance indicators. The committee consults with employees and ensures a two way communication flow on employee health and safety via the employee H&S forum.

Governance structures can be set up by the Board of Trustees to oversee and direct specific large-scale projects of strategic importance. One such project undertaken during the year related to the Charity's Aviation contract re-procurement. The Charity began its procurement process to identify the Aviation Partner that will deliver the Charity's Aviation services from 2024 onwards will be. A Procurement Board made up of four Trustees was set up with overall responsibility for the oversight of the end to end procurement, reporting back to the main board of Trustees as and when required.

Senior Management Team

The Senior Management Team, made up of the individuals listed below and led by the Chief Executive, are responsible for the day-to-day leadership and running of the Charity and the execution of the strategy and policies decided by the Trustee Board.

Chief Executive Officer	Sue Barnes
Director of Finance & Commercial Services	James Stephens
Director of People & Organisational Development	Michelle Morris (to 30 January 2024)
Director of People & Organisational Development	Natalie Richards (from 30 January 2024)
Director of Strategic Communications & Engagement	Steven Stokes
Director of Income Generation	Phae Jones (from 1st February 2024)
Head of Policies, Performance and Projects	Christina Hawkins
Head of Fundraising	Mark Stevens
Head of Retail	Rob Coles
Head of Operations	Rhys Richards

Remuneration Policy

The remuneration of the Senior Management Team is reviewed by the HR & Organisational Development Committee and recommendations are made to the main Board for approval. In setting the overall pay levels for our staff, we consider the pay practice of other similarly sized charities and, where necessary, public and private sector organisations. The Board also considers an annual organisation-wide cost of living increment to pay for all staff.

Our Auditors

Our auditors, Bevan Buckland LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Public Benefit

The Wales Air Ambulance Charity's mission is to deliver lifesaving, advanced medical care to people across Wales, whenever and wherever they need it. Our service is delivered through a Partnership with EMRTS (Emergency Medical Retrieval and Transfer Service), whose medics are conveyed to the scene of the emergency by our helicopters and rapid response vehicles.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The Wales Air Ambulance Charity works independently of government and relies on donations to meet the cost of providing this public service.

Risk Management

The Charity has in place a Risk Management Policy, which provides a structured approach to risk management. The objective of the policy is to provide a framework to:

- Define Responsibilities
- Identify Risks
- Assess Priority Risks
- Develop Mitigating Strategies and Actions
- Monitor and Review Risk Activities
- Communicate and Report Risks

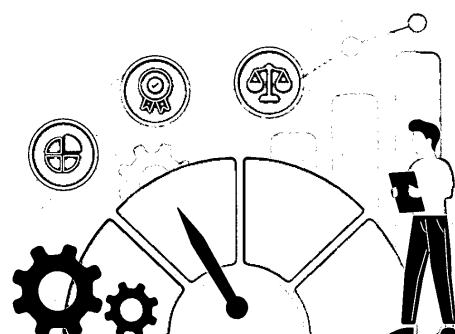
All identified risks are recorded in the risk register. The Senior Management Team and Board of Trustees regularly review the risks to which the Charity is exposed to and ensure systems and actions are in place to mitigate these risks.

Each risk has an owner responsible for the mitigation strategy. The key elements of the mitigation strategy are noted on the risk log with summary associated comments.

Principal Risks

Risk	Mitigation Implemented
Service operations Disruption (whether short, medium or long term) in the service availability of the aircraft as resulting from supplier failure. This risk has been scored more probably due to the transition to the Charity's new Aviation operator, Gama Aviation, at the end of 2023.	<ul style="list-style-type: none"> • Transition programme established and delivered upon. Effective communication with all key stakeholders including the Charity's medical partners EMRTS, and incumbent and new Aviation partners. We have recruited a Transition Manager with extensive experience in Aviation and project management to help ensure a smooth transition. • Charity has secured the leases of its three existing H145 aircraft, with those leases due to commence at the end of the existing operating contract with Babcock. • Contractual arrangements with both incumbent and new Aviation operator. • Close monitoring of supplier performance and service availability. • Availability of back-up aircraft. • Access to and utilisation of rapid response vehicles.

Risk	Mitigation Implemented
Financial sustainability There is a risk that we have insufficient income and funds to achieve our strategic objectives and continue our operations without compromising on the delivery.	<ul style="list-style-type: none"> • Careful management and planning of financial reserves, with regular reviews of short and long-term forecasts. The Charity's reserves are within its target range at the year end, and funds have been dedicated by Trustees to support the forecasted deficits over the next few years. • Diversifying fundraising income streams, with a particular focus on Individual Giving acquisition and retention.
Data governance and security: Failure to adequately use or protect data resulting in the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, data.	<ul style="list-style-type: none"> • We continue to roll out our Cyber Security improvement plan to better protect against threats to our data. • GDPR and Cyber security mandatory training continues to be provided to all staff annually. National Cyber Security Centre (NCSC) assured training courses were delivered to staff who have additional data and Cyber security responsibilities (includes several members of the Senior management team). • Our Data Governance Group continues to meet regularly to ensure that all data is properly protected and used. • Privacy and security impact assessments undertaken for all new business initiatives. • Cyber Essentials Plus Accreditation maintained.



STATEMENT OF TRUSTEE RESPONSIBILITIES

The Trustees (who are also the directors of Welsh Air Ambulance Charitable Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- Observe the methods and principles in the Charity Statement of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

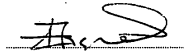
- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 16th April 2024 and signed on the Board's behalf by:

**DAVE GILBERT OBE –
TRUSTEE, CHAIR**



**DR KYLE JACQUES –
TRUSTEE, VICE-CHAIR**




INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report to the members and Trustees of Welsh Air Ambulance Charitable Trust

Opinion

We have audited the financial statements of Welsh Air Ambulance Charitable Trust (Limited by guarantee) (the 'Parent Charitable Company') and its subsidiary (the 'Group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company balance sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standards 102 'The Financial Reporting Standards applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- Give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 July 2023 and of the Group's and Charity's incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the Group's and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The Trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the Auditors thereon. Our opinion on the financial statements does not cover the other information and 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 matters prescribed by the Companies Act 2006

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

- The information given in the Report of the Trustees, which includes the Directors' report and the strategic 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 and the strategic report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report and the strategic report included within the report of the Trustees.

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustee's 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 Trustee's Responsibilities set out on page 44, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent 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 intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

We design procedures in line with our responsibilities outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Enquiring of management, including obtaining and reviewing supporting documentation, concerning the Group's and Parent Charitable Company's policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas:
 - management override of controls.
- Obtaining an understanding of the legal and regulatory frameworks that the Group and Parent Charitable Company operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the Group and Parent Charitable Company. The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

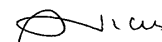
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- Enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Use of our Report

This report is made solely to the Group's and Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in a Report of the Auditors 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, for our audit work, for this report, or for the opinions we have formed.



Alison Vickers (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP
Chartered Accountants And Statutory Auditors
Cardigan House, Ground Floor, Castle Court,
Swansea Enterprise Park,
Swansea
SA7 9LA

Date: 16/04/2024

FINANCIAL STATEMENTS



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating a consolidated income and expenditure account)
FOR THE YEAR ENDED 31 JULY 2023

	Notes	Restricted Funds £'000	Unrestricted Funds £'000	Total 2023 £'000	Total 2022 £'000
INCOME					
Donations and legacies	3	446	5,390	5,836	6,776
Other Trading activities	4	-	9,200	9,200	8,494
Income from charitable activities		-	-	-	-
Investment income	7	-	273	273	119
Other income		-	8	8	13
Total income		446	14,871	15,317	15,402
EXPENDITURE					
Expenditure on raising funds	9	-	(6,009)	(6,009)	(5,054)
Expenditure on charitable activities	10	(457)	(8,139)	(8,596)	(8,439)
Total resources expended		(457)	(14,148)	(14,605)	(13,493)
Net gains/(losses) on investment		-	24	24	(230)
Net incoming resources		(11)	747	736	1,679
Transfer between funds		-	-	-	-
Less Taxation		-	(1)	(1)	-
Net income after tax		(11)	746	735	1,679
Fund balances brought forward	22	95	15,350	15,445	13,766
Fund balances carried forward		84	16,096	16,180	15,445


All activities are continuing operations. There are no other gains or losses for the financial year.

BALANCE SHEET

FOR THE YEAR ENDED 31 JULY 2023

	Notes	GROUP 2023 £'000	CHARITY 2023 £'000	GROUP 2022 £'000	CHARITY 2022 £'000
FIXED ASSETS					
Tangible assets	16	1,604	1,552	1,427	1,372
Investments	17	4,092	4,092	4,007	4,007
		5,696	5,644	5,434	5,379
CURRENT ASSETS					
Stock	18	56	27	87	36
Debtors	19	4,746	4,779	5,273	5,331
Cash at bank and in hand		8,251	8,181	6,690	6,576
		13,053	12,987	12,050	11,943
CREDITORS: Amounts falling due within one year	20	(2,565)	(2,469)	(2,036)	(1,895)
NET CURRENT ASSETS		10,487	10,518	10,014	10,048
PROVISIONS FOR LIABILITIES	21	(4)	-	(3)	-
TOTAL NET ASSETS		16,180	16,162	15,445	15,427
FUNDS					
Unrestricted Funds	22	16,096	16,077	15,350	15,332
Restricted Fund	22	84	84	95	95
		16,180	16,162	15,445	15,427

These financial statements were approved by the Board of Trustees on 16th April 2024 and signed on its behalf by:



DAVE GILBERT OBE –
TRUSTEE, CHAIR



DR KYLE JACQUES –
TRUSTEE, VICE-CHAIR

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Group		Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Net cash inflow/(outflow) from operating activities	1	1,705	2,691	1,741	2,615
Cash flows from investing activities					
Deposit Interest received		186	48	186	48
Investment income		87	71	87	71
Sale of fixed assets		-	-	-	-
Payments to acquire tangible fixed assets		(356)	(122)	(347)	(113)
Payments to acquire fixed asset investments		-	(474)	-	(474)
Cash used in Investing activities		(83)	(477)	(74)	(468)
Increase in cash investments		(61)	(45)	(61)	(45)
Increase in cash and cash equivalents in the year		1,561	2,169	1,605	2,101
Cash and cash equivalents at the beginning of the year		6,690	4,521	6,576	4,475
Cash and cash equivalents at the end of the year		8,251	6,690	8,181	6,576

Analysis of changes in net debt	31 July 2022 £'000	Cash Flow £'000	31 July 2023 £'000
Cash	6,690	1,561	8,251
Total	4,521	1,561	6,082

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2023

1 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Net Income	735	1,679	735	1,679
Deposit Interest received	(186)	(48)	(186)	(48)
Investment income	(87)	(71)	(87)	(71)
(Gains)/losses on investment	(24)	230	(24)	230
Depreciation of tangible fixed assets	170	161	161	154
(Profit)/loss on disposal of fixed asset	9	-	7	-
Deferred tax payable	-	-	-	-
Working capital movement	617	1,951	606	1,944
Decrease/(Increase) in Stock	31	(1)	10	-
Decrease/(Increase) in Debtors	527	136	552	117
(Decrease)/Increase in Creditors	530	605	574	553
Net Cash Inflow/(Outflow) from Operating Activities	1,705	2,691	1,741	2,615

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1. STATUTORY INFORMATION

Welsh Air Ambulance Charitable Trust is a company limited by guarantee, registered in England and Wales. The Company's registered number and registered office address can be found on the company information page.

2. ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements of the Charitable Company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Basis of Consolidation

The consolidated accounts of the Group incorporate the accounts of the Charity and its subsidiary undertaking, both of which were prepared to 31 July 2022. The trading results of the subsidiary undertaking are consolidated on a line-by-line basis within the consolidated statement of financial activities (SOFA). A separate SOFA for the Charity is not presented as permitted by the SORP and the Companies Act 2006.

c) Fund Accounting

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

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes falling in future time periods.

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

d) Incoming Resources

Incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the income can be quantified with reasonable accuracy.

1) Lottery Income

Lottery income is recognised after the weekly draw has taken place. A deferred income liability is recognised to account for the balance of those members paying in advance of future draws.

2) Donated Goods

The value of goods donated for sale in the shops operated by the Charitable Company is recognised at the point of sale unless it is practical for the goods to be measured at fair value on receipt. For those items, the value is recognised as stock on the balance sheet and then released to the income statement when the item is sold.

ACCOUNTING POLICIES (Cont'd)

3) Legacy Income

Legacies are accounted for as incoming resources once the three factors of entitlement, probable and measurement have been met so long as notification has been received from a representative of an estate prior to the year end.

Charities which receive a significant number of legacies in a reporting period and have detailed historical information on the settlement of legacies may apply an estimation technique in measuring the value of legacies that are recognised to allow for potential variation in settlement values and the risk of a will being contested.

Income Recognition of Legacies

Residuary legacies have been recognised using a case-by-case basis, when the amount receivable can be measured accurately following written confirmation from the estate executor/administrator.

4) Fuel Sales

Fuel sales are recognised to the extent that it is probable that the economic benefits will flow to the Company and the fuel sales can be reliably measured. Fuel sales are measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value-added tax and other sales taxes.

5) Other Heliport Income

Revenue from services, such as hanger rental and landing fees, is recognised when the service has been provided and the right to consideration has been earned.

6) Grant Income

Grants (including government grants) which are received to fund specific purposes are recognised as restricted incoming resources in the year in which the Charitable Company is entitled to the funds. Revenue grants are credited as incoming resources when they are receivable, provided conditions for receipt have been complied with.

e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis as a liability is incurred, including irrecoverable VAT. Cost of raising funds comprises direct costs associated with attracting grant income, being the proportion of time spent for direct headcount costs.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities, both costs directly attributable and indirect support costs. Governance costs include those costs associated with meeting constitutional and statutory requirements, principally accounting/audit and AGM expenses.

All costs allocated between expenditure categories are on a basis designed to reflect their resource usage. For some costs, this means direct allocation to activities, other costs are apportioned, e.g. by staff time spent on an activity, or another equitable usage measure.

ACCOUNTING POLICIES (Cont'd)**f) Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated 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:

Land & Buildings	2% on cost straight line
Motor Vehicles	25% on cost straight line
Fixtures & Fittings	25% on cost straight line
Office Equipment	15% on cost straight line
Plant & Machinery	25% on cost straight line

Assets below £250 are not capitalised, but included within expenses.

g) Holiday Pay

Employee benefits such as short-term compensated absence arising from employee entitlement to paid annual leave are recognised in line with FRS 102.

h) Pensions

The pension costs charged in the accounts represent the contributions payable to money purchase pension schemes by the Charity during the year.

i) Financial Instruments

The Charitable Company 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.

j) Investments

Assets held for investment purposes are valued at fair value (their market value) at the balance sheet date, except for investments in trading subsidiaries, which are held at cost, as the Trustees believe that the market value of the trading subsidiary is not materially different to its cost.

Realised gains and losses on investments are calculated as the difference between sales proceeds of these investments and their market value at the start of the year, or their subsequent costs, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year-end.

k) Stock

Stocks are valued at lower of cost and net realisable value after making allowances for obsolete and slow-moving items. Donated goods with a valuation over £50 per item have been included in the stock balance.

l) Debtors

Short-term debtors are measured at transaction price, less any impairment.

m) Cash at Bank and In Hand

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

Short term creditors are measured at transaction price.

ACCOUNTING POLICIES (Cont'd)**n) Creditors**

Short-term creditors are measured at transaction price.

o) Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

p) Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year-end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

q) Operating Leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Details of operating lease commitments are as shown in note 25.

r) Provision for Liabilities

Provisions are recognised when the Company has a present obligation (legal and constructive) from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

s) Functional and Presentation Currency

The Company's functional and presentation currency is pounds sterling.

t) Going Concern

The Trustees have considered both the Charity's financial position at the year-end and the impact of future activities. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Wales Air Ambulance continues to manage key risks through its well-established risk management processes which have been embedded and have proved robust; for more information, please see pages 42-43.

Cash and reserves are monitored closely, with detailed short and long-term forecasts prepared annually and regularly reviewed and updated to ensure the long-term financial viability of the Charity. A risk-based reserves policy has been adopted; more details of this can be seen on pages 36-37.

The Charity has a strong balance sheet with unrestricted funds of £9.2 million. Any shortfall in income over the next 12 months can be covered by the Charity's cash reserves and investment funds, which total £8.3 million and £4.1 million respectively.

The Trustees, therefore, have a reasonable expectation that there are no material uncertainties about the Charity's ability to continue its operations, including to meet its liabilities, for the foreseeable future. As such, the Charity continues to adopt the going concern basis in preparing the financial statements.

ACCOUNTING POLICIES (Cont'd)**u) Financial Instruments****Basic Financial Assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other Financial Assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of Financial Assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Basic Financial Liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Classification of Financial Liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

v) Critical Accounting Estimates and Assumptions

The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below:

Legacies - Income recognition

Residuary legacies have been recognised using a case-by-case basis, when the amount receivable can be measured accurately following written confirmation from the estate executor/administrator.

Provisions

Provision is made for the dilapidation on leasehold premises. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements.

3. DONATIONS & GIFTS - GROUP

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2023	2023	2023	2022
	£'000	£'000	£'000	£'000
Donations	2,527	245	2,772	2,290
Legacies	2,863	201	3,064	4,481
CJRS grant income	-	-	-	4
Coronavirus premises grants	-	-	-	1
	5,390	446	5,836	6,776

4. OTHER TRADING ACTIVITIES

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Lifesaving Lottery	7,219	6,622	7,219	6,622
Donated goods & recycling income	1,344	1,305	1,344	1,195
Cardiff Heliport commercial activities	637	567	-	-
	9,200	8,494	8,562	7,817

*Cardiff Heliport income does not include rent paid by the Charity to the Trading Subsidiary as this has been eliminated on consolidation of the accounts.

5. NET INCOMING RESOURCES ON ORDINARY ACTIVITIES FOR THE YEAR AFTER CHARGING

	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Depreciation	170	161	161	154
Other operating leases	32	20	32	20
Auditors' remuneration - audit	11	13	11	13
	-	-	-	-

AND AFTER CREDITING

Surplus on sale of fixed asset

6. DEFINED CONTRIBUTION PENSION SCHEME

The Charity operates a defined contribution pension scheme; the assets being held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £152,932 (2022: £90,000).

7. INVESTMENTS

	Unrestricted	Restricted	Unrestricted	Restricted
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Listed investment income	87	-	71	-
Bank deposit interest	186	-	48	-
	273	-	119	-

8. TAXATION

Group

No corporation tax liability arose in the trading company, taxation amounts shown in the consolidated statement of financial activities relate to deferred tax movements in the subsidiary.

Charity

The company is considered to pass the tests set out in sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by PT. 11, ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992.

9. EXPENDITURE ON RAISING FUNDS

Direct costs	Support costs		Total 2023	Total 2022
	£'000	allocated £'000	£'000	£'000
Donations & Legacies	1,153	700	1,853	1,103
Lifesaving Lottery	1,375	182	1,557	1,459
Retail & hospitality activities	1,564	370	1,935	1,935
Cardiff Heliport commercial activities	640	-	640	530
Investment management costs	25	-	25	26
	4,757	1,252	6,009	5,053

10. CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Helicopter operational costs	7,144	415	7,559	7,861
Airbase running costs	241	1	242	114
Rapid Response Vehicles	116	39	155	52
Clinical staff costs & medical supplies	-	-	-	154
Operations management	43	-	43	-
Crew Training & Wellbeing (MEDTRIM)	1	-	1	1
Patient Liaison Service	82	-	82	18
Legal & professional fees	105	-	105	36
Depreciation	42	-	42	43
Support costs	365	2	366	161
	8,139	457	8,596	8,440

11. SUPPORT COSTS

Cost Categories	Executive, Strategy & Compliance	IT	Facilities	Governance	Finance	HR & Training	Communications	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Donations & Legacies	239	92	38	5	34	158	134	700	619
Lifesaving Lottery	31	41	11	4	27	59	8	182	173
Retail	144	21	5	4	41	138	17	370	458
Charitable activities	147	51	54	32	34	39	8	366	161
	561	205	108	45	136	394	167	11,619	1,411

Support costs are allocated to relevant cost categories based on the percentage time spent on those categories.

12. GOVERNANCE COSTS

Analysed as

External audit fees
Staff time & support at Board meetings
Trustees insurance
Trustees' travel and meeting expenses

2023	2022
£'000	£'000
11	13
24	25
3	3
7	5
45	46

13. CHARITABLE COMPANY RESULTS

The Charitable Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements.

The results are summarised below:

	2023	2022
	£'000	£'000
Total incoming resources	14,684	14,781
Total resources expended	(13,974)	(12,872)
Net incoming resources	711	1,909
Net unrealised investment gain/(loss)	24	(230)
Net movement in funds	735	1,679
Funds:		
At 1 August 2022	15,427	13,748
At 31 July 2023	16,162	15,427

14. STAFF NUMBERS AND COSTS

Group	2023 £'000	2022 £'000
Gross salaries	2,498	1,991
Social security	205	169
Pension costs	164	96
	2,867	2,256

The average number of employees, (excluding directors who are trustees) analysed by function was as follows:

	2023 Number	2022 Number
Administration	10	9
Corporate Services	20	11
Fundraising	16	14
Operations	6	5
Retail & Transport	41	39
Senior Management Team	8	9
	101	87

The Trustees received no emoluments from the Charitable Company. Five Trustees were reimbursed expenses totalling £1,343 (2022 - two Trustees were reimbursed expenses totalling £604) for travel during the year.

The number of employees whose emoluments (including benefits and employers' pension) were paid over £60,000 in the year were as follows:

	Number
£60,000 - £70,000	1
£70,000 - £80,000	-
£80,000 - £90,000	1

Contributions of £7,865 (2022: £5,002) were made to defined contribution schemes for higher paid employees.

15. KEY MANAGEMENT

The total remuneration of the key management (the Senior Management Team) including any employer pension contributions was £460,000 (2022: £482,000).

16. TANGIBLE FIXED ASSETS

GROUP	FREEHOLD LAND & BUILDINGS £'000	FIXTURES & FITTINGS £'000	PLANT & MACHINERY £'000	OFFICE EQUIPMENT £'000	MOTOR VEHICLES £'000	TOTAL £'000
COST						
At beginning of year	1,179	594	367	231	101	2,472
Additions	-	98	22	55	181	356
Disposals	-	(13)	(8)	(58)	-	(79)
At end of year	1,179	679	381	228	282	2,749
DEPRECIATION						
At beginning of year	41	467	332	117	89	1,046
Charge for year	19	75	22	35	20	170
Eliminated on disposal	-	(9)	(7)	(55)	-	(71)
At end of year	60	533	347	97	109	1,145
NET BOOK VALUE						
At 31 July 2023	1,119	146	34	131	173	1,604
At 31 July 2022	1,138	127	35	114	13	1,427
CHARITY						
COST						
At beginning of year	1,141	571	351	231	101	2,395
Additions	-	98	14	54	181	347
Disposals	-	(4)	(5)	(58)	-	(67)
At end of year	1,141	665	360	227	282	2,675
DEPRECIATION						
At beginning of year	37	459	321	117	89	1,023
Charge for year	18	69	20	34	20	161
Eliminated on disposal	-	(0)	(6)	(55)	-	(61)
At end of year	55	528	335	96	109	1,123
NET BOOK VALUE						
At 31 July 2023	1,086	137	25	131	173	1,552
At 31 July 2022	1,104	112	30	114	13	1,372

17. FIXED ASSET INVESTMENTS - GROUP AND CHARITY

	LISTED INVESTMENTS £'000
Cost or valuation	
At beginning of year	4,007
Additions	849
Disposals	(777)
Income received	87
Charges	(25)
Unrealised gains	24
Movement in cash	(71)
At end of year	<u>4,092</u>
Market value at 31 July 2023	<u>4,092</u>
Market value at 31 July 2022	<u>4,007</u>

In addition to the above, the Group holds a £1 investment in its subsidiary company "Welsh Air Ambulance Trading Ltd"

The market value at 31 July 2023 comprises a sum of £4,092,143 (2022: £4,006,709) managed by RBC Brewin Dolphin, further analysis of which is contained below.

Financial Instruments	2023 £'000	2022 £'000
Equities	2,799	2,734
Fixed interest securities	768	721
Property funds	73	87
Commodities	77	73
Other listed investments	184	191
Cash held as part of the investment portfolio	191	201
	<u>4,092</u>	<u>4,007</u>

17. FIXED ASSET INVESTMENTS CONTINUED

The aggregated amount of capital and reserves and a summary of the subsidiary results for the financial year were as follows:

	2023 £'000	2022 £'000
Capital and Reserves	18	19
Turnover	735	727
Expenses	718	687
Surplus for the year	17	40
Add tax refund/Less tax on surplus		
Less Gift Aid	(16)	(40)
Surplus for the year after tax		

The shares in group undertakings are the Charitable Company's investment in the trading subsidiary, Welsh Air Ambulance Trading Limited (a company that generates funds for Welsh Air Ambulance Charitable Trust), registered company number 04036635 and registered office address Ty Elusen, Llanelli Gate, Dafen, Llanelli, SA14 8LQ. The investment represents the holding of 100% of the ordinary shares of £1 each.

18. STOCKS

	GROUP 2023 £'000	CHARITY 2023 £'000	GROUP 2022 £'000	CHARITY 2022 £'000
Donated goods	27	27	36	36
Fuel Stock	29	-	51	-
	<u>56</u>	<u>27</u>	<u>87</u>	<u>36</u>

19. DEBTORS

	GROUP 2023 £'000	CHARITY 2023 £'000	GROUP 2022 £'000	CHARITY 2022 £'000
Amounts falling due within 1 year				
Welsh Air Ambulance Trading Ltd	-	-	-	103
Trade Debtor	71	22	84	16
Legacy Debtors	3,925	3,925	4,217	4,217
Accrued Income & Other Debtors	72	41	95	86
Prepayments	486	419	805	762
VAT Debtors	192	176	70	57
Taxation & Social Security	-	-	2	-
	<u>4,746</u>	<u>4,583</u>	<u>5,273</u>	<u>5,240</u>
Amounts falling due after 1 year	-	196	-	90
Welsh Air Ambulance Trading Ltd	-	196	-	-
	<u>4,746</u>	<u>4,779</u>	<u>5,273</u>	<u>5,330</u>

Two separate loan agreements are in place between Welsh Air Ambulance Charitable Trust and Welsh Air Ambulance Trading Ltd. Loan interest of £10,929 has been charged this year.

Included in the charity debtors is a balance of £195,876 (2022 £193,000) from Welsh Air Ambulance Trading. This amount includes a gift aid payment of £16,086 (2022 £39,688).

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP 2023 £'000	CHARITY 2023 £'000	GROUP 2022 £'000	CHARITY 2022 £'000
Trade Creditors	895	806	464	329
Pension / PAYE accrual	157	157	50	50
Deferred Income	726	725	607	607
Accruals	740	733	915	909
Onerous Contract Provision	48	48	-	-
	<u>2,566</u>	<u>2,469</u>	<u>2,036</u>	<u>1,895</u>

Deferred income relates to lottery membership paid in advance of the prize draws.

21. DEFERRED TAX LIABILITY - GROUP

	£'000
Balance at 1 August 2022	3
Timing differences	1
Balance at 31 July 2023	<u>4</u>

22. STATEMENT OF FUNDS

GROUP	AT 1 AUGUST 2022	INCOME	EXPENSES	TRANSFER	UNREALISED GAIN ON INVESTMENTS	AT 31 JULY 2023
	£'000	£'000	£'000	£000	£'000	£000
Unrestricted funds						
General funds	8,807	14,871	(14,047)	(427)	24	9,227
Designated funds:						
- Fixed Asset Fund	1,426	-	(100)	277	-	1,603
- MEDTRIM	67	-	(1)	-	-	66
- Aircraft procurement	350	-	-	-	-	350
- Future Aviation contract	4,700	-	-	-	-	4,700
- Helicopter upgrades	-	-	-	150	-	150
Restricted funds						
Fixed Asset Fund	-	-	-	-	-	-
Restricted Use Funds	95	446	(457)	-	-	84
	<u>15,445</u>	<u>15,317</u>	<u>(14,606)</u>	<u>-</u>	<u>24</u>	<u>16,180</u>

CHARITY	AT 1 AUGUST 2022	INCOME	EXPENSES	TRANSFER	UNREALISED GAIN ON INVESTMENTS	AT 31 JULY 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
General funds	8,843	14,238	(13,414)	(429)	24	9,262
Designated funds:						
- Fixed Asset Fund	1,372	-	(101)	279	-	1,550
- Night Flying	-	-	-	-	-	-
- MEDTRIM	67	-	(1)	-	-	66
- Aircraft procurement	350	-	-	-	-	350
- Future Aviation contract	4,700	-	-	-	-	4,700
- Helicopter upgrades	-	-	-	150	-	150
Restricted funds						
Fixed Asset Fund	-	-	-	-	-	-
Restricted Use Funds	95	446	(457)	-	-	84
	<u>15,427</u>	<u>14,683</u>	<u>(13,974)</u>	<u>-</u>	<u>24</u>	<u>16,162</u>

22. STATEMENT OF FUNDS CONTINUED

GROUP	AT 1 AUGUST 2021	INCOME	EXPENSES	TRANSFER	UNREALISED GAIN ON INVESTMENTS	AT 31 JULY 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
General funds	11,548	15,168	(12,439)	(5,239)	(230)	8,807
Designated funds:						
- Fixed Asset Fund	1,459		(155)	122	-	1,426
- Night flying	743		(743)		-	-
- MEDITRIM	-		-	67	-	67
- Aircraft procurement	-		-	350	-	350
- Future Aviation contract	-		-	4,700	-	4,700
Restricted funds						
Fixed Asset Fund	6		(6)		-	-
Restricted Use Funds	10	234	(150)		-	95
	13,766	15,402	(13,493)	-	(230)	15,445

CHARITY	AT 1 AUGUST 2021	INCOME	EXPENSES	TRANSFER	UNREALISED GAIN ON INVESTMENTS	AT 31 JULY 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
General funds	11,583	14,546	(11,825)	(5,231)	(230)	8,843
Designated funds:						
- Fixed Asset Fund	1,407		(148)	113	-	1,372
- Night time flying	743		(743)		-	-
- MEDITRIM	-		-	67	-	67
- Aircraft procurement	-		-	350	-	350
- Future Aviation contract	-		-	4,700	-	4,700
Restricted funds						
Fixed Asset Fund	6		(6)		-	-
Restricted Use Funds	10	234	(150)		-	95
	13,748	14,781	(12,872)	-	(230)	15,427

THE FUNDS REPRESENT

Fixed Asset

The capital spend designated fund represents the surpluses which have been spent on capital assets. These surpluses are not available since the cash has been committed on such assets.

Night Flying

The Charity realised its long term objective to provide a 24/7 service for the people of Wales in December 2020. This fund was set up to support the additional costs of night flying.

MEDITRIM

Funds designated to raise awareness about mental wellbeing and resilience across the service and involve the introduction of a formal approach for supporting Clinical staff following exposure to a traumatic event.

Aircraft procurement

The Charity's historical Aviation contracts saw its suppliers holding the leases for all aircraft, however to protect the Charity's lifesaving service, Trustees have agreed that after the end of the existing contract (31 Dec 2023) three of the aircraft will be directly leased to the Charity. Trustees have therefore designated funds for the security deposit of these aircraft.

Future Aviation contract

Due to the significant rise in the Charity's Aviation costs that will be felt from 2024 as we enter a new Aviation contract, funds have been designated to cover the forecast deficits in the early years of the contract. Whilst the Charity has plans to increase its income to ensure it is able to meet the increased service delivery costs in the long term, this is likely to take four to five years to achieve. Trustees will use this fund to ensure the Charity can maintain its service provision until such time.

Restricted Funds:

Fixed Asset Fund

The balance of restricted funds carried forward relates to the net book value of fixed assets purchased.

Restricted Use Fund

These restricted funds are unspent funds, restricted in purpose, to be used in the future.

Donor	Purpose of fund	Opening balance 2023	Income 2023	Expenditure 2023	Transfers 2023	Closing balance 2023
£'000	£'000	£'000	£'000	£'000	£'000	£'000
Individual Donation	Rapid Response Vehicle Caernarfon - running costs	95	-	(32)	-	63
Various Donors	Childrens Transfers	-	1	(1)	-	-
Various Donors	Welshpool base - general	-	67	(67)	-	-
Various Donors	Caernarfon base - general	-	66	(66)	-	-
Various Donors	South Wales bases- general	-	117	(117)	-	-
Individual Donation	Aviation fuel North Wales	-	5	(5)	-	-
Various Donors	Rapid Response Vehicles - running costs	-	2	(2)	-	-
Various Donors	Rapid Response Vehicles - capital improvements	-	5	(5)	-	-
Various Donors	Medical Crew PPE	-	8	-	-	8
Individual Donation	Airbase Improvements	-	5	(1)	-	4
Individual Donation	Fundraising Appeals	-	5	-	-	5
Individual Donation	Volunteer Projects	-	5	(2)	-	3
Various Legacy Donors	North Wales area	-	159	(159)	-	-
Various Legacy Donors	Welshpool base	-	41	(41)	-	-
Legacy Donor	Gwynedd area	-	1	(1)	-	-
Total		95	446	(457)	-	84

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	FIXED ASSETS	INVESTMENTS	NET CURRENT ASSETS	PROVISION	TOTAL
	£'000	£'000	£'000	£'000	
Unrestricted funds	1,604	4,092	10,404	(4)	16,096
Restricted funds	-	-	84	-	84
Total	1,604	4,092	10,488	(4)	16,180

CHARITY	INVESTMENTS	NET CURRENT ASSETS	PROVISION	TOTAL
£'000	£'000	£'000	£'000	
Unrestricted funds	1,552	4,092	10,434	16,078
Restricted funds	-	-	84	84
Total	1,552	4,092	10,518	16,162

24. SHARE CAPITAL

The Charitable Company is limited by guarantee and as such has no share capital. In the event of the Charitable Company being wound up, the liability of each member is limited to £10.

25. GIFT AID

During the year the Charity was gift-aided a donation of £16,086 (2022: £39,688) from its wholly owned subsidiary, Welsh Air Ambulance Trading Limited (Company number 04036635).

26. FINANCIAL COMMITMENTS

Financial commitments under non cancellable operating leases will result in the following annual payments in respect of land and buildings:

	LAND & BUILDINGS			
	CHARITY 2023 £'000	GROUP 2023 £'000	CHARITY 2022 £'000	GROUP 2022 £'000
Expiring within 1 year	215	255	279	319
Expiring within 2-5 years	174	367	199	382
Expiring after 5 years	-	2,327	-	2,377

Financial commitments under non cancellable operating leases will result in the following annual payments in respect of motor vehicles:

	MOTOR VEHICLES			
	CHARITY 2023 £'000	GROUP 2023 £'000	CHARITY 2022 £'000	GROUP 2022 £'000
Expiring within 1 year	443	443	-	-
Expiring with 2-5 years	645	645	-	-
Expiring after 5 years	-	-	-	-

27. TRUSTEE INDEMNITY INSURANCE

Included in administration costs is the cost of Trustees' liability insurance amounting to £2,813 (2022: £2,601).

28. CHARITY RELATED PARTY TRANSACTIONS

	Welsh Air Ambulance Trading Ltd £'000
Expenditure	(61)
Revenue	173
Donation	16
Amounts owed to Charity	210
Amounts owed by Charity	(14)

During the year the Charity undertook the above noted transactions with related parties. All related party transactions with Group companies are eliminated on consolidation. There were no related party transactions outside of the Group.

Officers & Contacts

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D R Kitto
D Gilbert
K Jacques
D Jones-Morris
J Wagstaffe
S Curtis
O S Davies
R Locke
L Church
A Burdge
S Ley

Company Secretary

J Stephens

Chief Executive

S Barnes

Registered office

Ty Elusen,
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Llanelli Gate,
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SA14 8LQ

Registered Company Number

4036600 (England and Wales)

Registered Charity Number

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