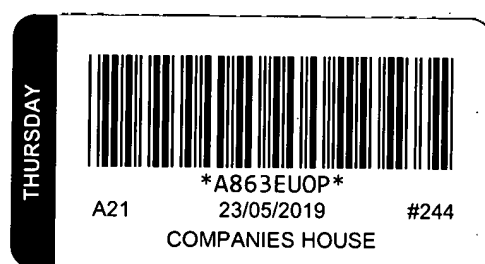


Registered number: 06386523
Charity number: 1121300

GREAT WESTERN AIR AMBULANCE CHARITY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 12
Independent auditor's report	13 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 34

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Patrons

Countess Bathurst
Professor Steven West DL- Vice Chancellor of UWE
Peaches Golding - Lord Lieutenant of Bristol
Dr C Whittle
J Vines

Trustees

M W Drake, Chair
Professor J R Bengier
K Edgington (appointed 22 March 2018)
J G Houlden
C A Peters
N H Pickersgill
J D Skeeles (resigned 24 November 2018)
Dr M Thomas (appointed 6 December 2018)

Company registered number

06386523

Charity registered number

1121300

Registered office

County Gates
Ashton Road
Bristol
BS3 2JH

Company secretary

M Cooper

Chief executive officer

A Perry

Independent auditor

Crowe U.K. LLP
Carrick House
Lypiatt Road, Cheltenham
Gloucestershire
GL50 2QJ

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018

Advisers (continued)

Bankers

HSBC
11 Canford Lane
Westbury-on-Trym
Bristol, BS9 3DE

Association of Air Ambulances: The charity is a member of the Association of Air Ambulances, which acts as the UK trade body for most air ambulance charities and ambulance service trusts.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

Structure, Governance and Management

Governing Document

Great Western Air Ambulance Charity (GWAAC) is a charitable company limited by guarantee (registered charity no 1121300, company no 06386523), and was set up on 1 October 2007. It is governed by its Memorandum and Articles of Association.

The role of the Trustees

The Trustees have overall responsibility for the activities of Great Western Air Ambulance Charity. They set the strategic plan and the annual budget and hold the Chief Executive to account for the management of the charity. Their responsibilities regarding the preparation of financial statements are summarised below. Board meetings are held at least four times a year at which the main items of business are reports from the clinical team and Chief Executive, budget monitoring, fundraising and external communications. Trustees receive no remuneration for their time and expertise and do not usually claim expenses.

Trustees note the guidance in the Charity Governance Code, published in 2017, and whilst accepting that there are always areas for improvement, believe that a high standard of governance and management is in place at Great Western Air Ambulance Charity.

Those who were Trustees during the period are listed on the Reference and administrative information pages of the financial statements.

Trustee appointment and training

Board vacancies are advertised through various external channels and prospective applicants are given a role description and person specification. Short-listed candidates are interviewed and reference checks are completed. New Trustees are offered an induction to introduce them to GWAAC's work and have the opportunity to attend external training courses on charity governance and finance.

Trustees are appointed for an initial term of three years with the option for this to be renewed for another two terms / six years. Trustees are appointed by the members.

Salaried staff

The Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. Financial matters are overseen by the Head of Finance and Premises who reports to the Chief Executive, as do the Head of Fundraising and Head of Communications. This senior management team meets regularly to coordinate the administration of the charity. By the end of 2018 the team was supported by around 10 full time equivalent staff based at the County Gates office.

GWAAC remunerates its staff according to the charity's experience of recruitment and retention, local market conditions and similar roles advertised locally, which are considered at the time of each recruitment process.

Volunteers

Volunteers play an important part at GWAAC. They assist the salaried staff with fundraising events, give talks to local groups and help with office administration. There were 204 volunteers at the beginning of the year and 200 at 31 December 2018. GWAAC remains grateful for the phenomenal support provided by volunteers, each contributing what skills and time they can to our cause.

Objectives and Activities

The purpose of the charity

Great Western Air Ambulance Charity was set up on 1 October 2007. Its purpose is "the relief of sickness and injury for the benefit of the public by assisting in the provision of emergency medical services and equipment in particular the provision of an air ambulance service or other emergency transportation primarily in ... Bristol, Bath and North East Somerset, Gloucestershire, North Somerset, South Gloucestershire and parts of Wiltshire."

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees have regard to the guidance issued by the Charity Commission regarding the legal requirement that a charity's purposes must be for the public benefit. Please see the details below and throughout the Report which explains how GWAAC meets its public benefit requirement.

GWAAC funds a vital supplement to the service provided by South West Ambulance Service NHS Foundation Trust (SWASFT) by responding to the most serious life-threatening or life-changing emergencies. It does this by bringing to the patient the kind of expertise and equipment usually found only in hospital accident and emergency departments, via helicopter or critical care car.

GWAAC's area covers 3,000 square kilometres and has a population of 2.1 million people.

The fleet

The fleet consists of a Eurocopter 135T2+ and two critical care cars. They carry drugs, blood and advanced life-saving equipment. GWAAC is responsible for funding the helicopter, one of the critical care cars and the specialist drugs and equipment used by the team.

The helicopter and associated aviation management are supplied by Babcock Mission Critical Services Onshore Ltd in accordance with a contract with the charity. GWAAC paid Babcock £1,380,600 in 2018 (2017: £1,346,625) for helicopter services, including the pilots, insurance, fuel, maintenance and regulatory costs. The increased costs relate to the increased use of the helicopter, for more missions in 2018.

Medical team

The Specialist Paramedics are employed by SWASFT, but under a service level agreement, GWAAC finances around 45% of this team's salary and on-costs. Doctors are wholly funded by the charity and hold honorary contracts with SWASFT, contracts with NBT eXtra (part of North Bristol NHS Trust) and in addition are employed by NHS hospitals or the UK military. They are not directly employed by GWAAC.

A Critical Care Team consists of a specially trained doctor, usually a Consultant, and a Specialist Paramedic in Critical Care, both trained in pre-hospital emergency medicine. Additional staff may also be present on a shift, including trainees, observers or additional doctors or paramedics.

Premises

From the charity's inception until autumn 2018, the medical crew and fleet were stationed at Filton airfield, as tenants of BAE. Much of Filton airfield was closed in 2012, as BAE sought to sell the site, and from that point onwards we were engaged in negotiations with various stakeholders about where we would move to.

In 2017, Great Western Air Ambulance Charity signed a 10 year lease with BAE, for a new air base which was to be built near Almondsbury in South Gloucestershire. Building work commenced soon after.

In February 2018, BAE gave GWAAC the opportunity to purchase the new air base. We weighed up the costs of purchase against the risks of not owning our own home, sought independent advice, and considered that purchasing the base was a commercially sensible decision, as well as providing a much needed sense of stability and permanence for our team. A purchase price of £1.95m was agreed, and in July 2018 we launched a capital appeal, Buy Our Base.

We set a fundraising target of £1.25m, with the balance of the purchase price to be funded from our reserves. We originally hoped to meet the target by June 2019, but happily exceeded it before the end of the year, and completed the purchase of the Almondsbury air base in December 2018. We are delighted to have finished the year as landowners, with the security of owning a significant asset which will be of benefit to local communities for decades to come.

Deployment

The fleet and medical team are now stationed at GWAAC's base in Almondsbury and operate from 7am to 1am. The service is deployed by SWASFT from its Helicopter Emergency Medical Service desk in Exeter, which is

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

funded by the five South West air ambulance charities. The decision whether to respond by helicopter or car is taken by the medical team and pilot, based on distance, weather, local conditions and the availability of suitable landing sites. At night, all missions are by car.

How GWAAC served the public in 2018

In 2018, GWAAC was tasked to 1,887 incidents, resulting in 1,340 patients being treated (*2017: 1,293*), of which around half were assisted to the most appropriate hospital - in many cases not the nearest one. This marks the charity's busiest ever year and continues the trend of GWAAC completing more missions every year. This is the key measure of GWAAC's success and the increase is partly due to the fact that our service was available later into the evening on more occasions than in 2017, and increased staffing on the dispatch desk, leading to more relevant incidents being identified and our crews being dispatched more often.

Although we hear from some patients we have treated when they or their families contact us to share their stories, unfortunately due to patient confidentiality we are currently unable to source or analyse data on the long term outcomes for the patients the medical team treats.

The share of service across the six local authorities in GWAAC's area is indicated by the figures below, provided by SWASFT:

• Bristol	31%
• Gloucestershire	23%
• South Gloucestershire	12%
• North Somerset	14%
• Bath and North East Somerset	7%
• Wiltshire	7%
• Other areas	6%

Sometimes several incidents occur in an area within a short time period, meaning support from further afield needs to be called in. In 2018, 6% (*2017: 8%*) of our missions were outside the areas listed above – in Wales, the Midlands, Devon or other Somerset districts. Neighbouring air ambulances provided support within GWAAC's area in return. GWAAC is always happy to help our neighbours, and grateful for the support they provide to our communities in return.

The types of incident attended by the team are sometimes difficult to categorise, or may fall into more than one category. The percentage of each type of incident was approximately:

• Trauma	49%
• Cardiac arrest	31%
• Other medical	17%
• Sport and leisure activities	3%

The Freewheelers EVS charity (known locally as 'Blood Bikes') volunteers delivered blood and plasma to the GWAAC airbase every day, ensuring that our clinical teams had this critical resource for the patients they treat. In 2018, 51 patients received 85 units of blood and 70 units of plasma from GWAAC crew members (*2017: 45 / 89 / 37*).

In December 2018, we held our first 'Forever Flying' in remembrance service for the bereaved friends and families of GWAAC's patients who sadly did not survive. Over 100 people attended this service, which was very well received and something the charity hopes to build on in future.

Our Great Western Heart Starters project works with schools primarily in Bristol and South Gloucestershire, with plans to expand into Gloucestershire, and teaches children in Years 8 and 9 basic life support skills, using a team of medically trained volunteers. The aim is to create a generation of lifesavers by ensuring that eventually no child in our region will leave school without the ability and confidence to deliver basic life support. Our 134 Heart Starter volunteers trained around 1,000 children in 2018, against a target of 2,000 (*2017: 1,186*).

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

In addition, the GWAAC medical crew trained the players and key staff from Bristol Bears rugby in CPR and lifesaving skills.

138 attendees from outside the charity attended clinical governance activities with GWAAC (2017: 162). These sessions allowed our clinical team and colleagues from 22 different health sector organisations to consider best practice and review key cases to help improve practice for the future. The number of attendees decreased from 2017 to 2018 due to GWAAC moving from the Filton to Almondsbury airbase and the need to restrict external visitors whilst this was in progress. In 2019 attendance by external organisations remains restricted, but a Clinical Symposium open to all will be held at an alternative venue in autumn 2019.

Fundraising performance

The principal activity of Great Western Air Ambulance Charity employees is fundraising – raising the millions of pounds needed every year to keep our helicopter flying and the critical care cars running. For 2018, the gross regular income target was £2,985,000 plus £1,250,000 from the Buy Our Base capital appeal (total target £4,235,000). By the end of the year we achieved regular income of £2,861,087, plus £1,303,089 towards the capital appeal (total £4,164,176). Total income in 2017 was £4,324,658.

GWAAC is registered with and pays an annual fee to the Fundraising Regulator, and abides by the Code of Conduct which includes ensuring that vulnerable people are protected from abuse. During the year the Board of Trustees approved a new Safeguarding Policy, reflecting the importance of this in the charity's work.

GWAAC's fundraising staff and managers are members of the Institute of Fundraising and undertake professional qualifications on ethical fundraising.

During 2018, GWAAC received one complaint about its fundraising activities, in response to a letter which had been sent to an individual requesting donations to the Buy Our Base capital appeal. This was resolved without any escalation.

Buy Our Base Capital Appeal

In February 2018, GWAAC started planning a capital appeal to raise funds towards the purchase of our new base. Due to commercial considerations, we were not able to publicly announce our intention to purchase the base or launch our appeal until July 2018. The short timescales involved provided a challenge for our relatively small team, which had not previously run a capital appeal campaign, and so an extra two temporary members of staff were recruited for six months to provide additional support in grant applications and external communications.

By the time we completed the purchase in December 2018, we had raised £1,303,089 towards the purchase and kitting out of the new base. This figure was achieved thanks to the hard work and generosity of hundreds of people. Sources of income were:

The Julia and Hans Rausing Trust	£315,555
County Air Ambulance Trust	£300,000
Private Family Charitable Trust	£300,000
John James Bristol Foundation	£250,000
Individual donations	£55,538
Other grants and trusts	£53,700
Community organisations	£21,721
In memory donations	£2,500
Sponsorship from challenge events	£2,453
Proceeds from sale of goods	£1,622

Following the purchase, any additional funds donated to the Buy Our Base appeal will help to pay for minor improvements to the base and to properly equip it.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Charity lottery

The lottery is promoted and administered by Tower Lottery Partnership Limited (Tower) in accordance with a contract with GWAAC. Tower comes within the definition of a 'professional fundraiser' for the purposes of the Charities Act 2011. In the contract, Tower undertakes to comply with all laws and regulations applicable to their activities, including relevant Codes of Practice from the Fundraising Regulator, and Gambling Commission legislation.

Anna Perry, Chief Executive, and Emma Carter, Head of Fundraising, are registered as the relevant responsible persons with the Gambling Commission, which enables GWAAC to legally promote a lottery and other types of raffles and draws.

During 2018, the number of people playing the lottery decreased slightly, to 33,444 (2017: 34,767), which was disappointing. The lottery produced a net return to GWAAC of £1,116,198 (2017: £1,146,707) and remains our largest single source of income. At the end of 2018 there was a change in personnel at the lottery provider, and we are hopeful that this will result in improved performance during 2019.

LIBOR funding

During 2018, the remaining funds from the LIBOR fines fund which had been granted to GWAAC in 2017 were spent on the helicopter service, totalling £673,847. We are grateful for the £2,250,000 that GWAAC received between 2014 and 2017, but with the Treasury managed LIBOR funds now depleted, replacing this income remains a challenge.

County Air Ambulance

County Air Ambulance Trust supported GWAAC from its inception until 2017 with a regular monthly donation. This regular funding ceased in December 2017, but we were delighted that they donated £300,000 towards the helipad element of GWAAC's new base in Almondsbury.

Legacies and in memoriam giving

During 2018, we were grateful to be notified of legacies totalling £85,310 (2017: £188,850). Legacy income is difficult to predict, but in 2018 we employed a part time member of staff to promote legacy giving and support people giving in memory of loved ones, so hope this income stream will grow in future years.

We received donations in memory of people who sadly died, totalling £79,099 (2017: £65,560). We are particularly grateful to the family of Luke Allen who raised £13,611 in his memory, inspired many other local people to give, and continue to make plans for future events in 2019.

Individual donations

In 2018, GWAAC received individual donations from 370 people (2017: 294), totalling £96,719 (2017: £33,437), including 266 Regular Givers through direct debits (2017: 74). Many of these amounts consisted of personal donations, but also sponsorship from people's friends, family and colleagues. The method of signing up for direct debits was changed in March 2018, resulting in a simpler user experience.

We are grateful to all our supporters and understand that everyone gives according to their means, with GWAAC being reliant on people who give small amounts regularly to keep us running, as well as large donations.

Community groups

330 community groups supported us during 2018 (2017: 319), raising £191,388 in total (2017: £185,788). We had support from farmers, village clubs, schools, Lions, motor clubs, festivals, Scouts and Girl Guides amongst others. We had a wide range of charity of the year partnerships, donations from pocket money to Santa's sleigh, head shaves, marathons and more.

Supporters recognise the charity's outstanding contribution in local communities and are passionate advocates of Great Western Air Ambulance Charity. Many support in multiple ways, continuing to donate, volunteer, and raise awareness over the course of many, many years. We recognise that the local community is the backbone

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

of any great charity, and we are very proud to work closely with so many fantastic supporters.

Corporate supporters

During 2018, we were delighted to be the chosen charity of 25 local businesses (2017: 18) who recognised the value that we provide to the local community and raised £155,049. Our partnerships programme supported employees at all levels of businesses to engage with the charity and fundraise for our cause. This included a large number of innovative and fun staff-led events, our fundraisers and crew giving informative and inspirational talks in the workplace, and corporate supporters taking on challenges from row-a-thons in the centre of Bath to a 24 hour bus travel challenge covering the whole UK! Other challenges included one team 'stepping' all the way to Everest, fancy dress days, karaoke nights, Tough Mudders, raffles, quizzes and much more.

Challenges

In September 2018, six supporters undertook a 10 day trek along the Great Wall of China. Collectively they raised £23,000, providing net proceeds of around £13,000. The group experienced cultural and physical challenges, but enjoyed rising to the challenge and having the trip of a lifetime.

Collection tins

In 2018, GWAAC had approximately 1,400 collection tins placed with local businesses and in community premises. The number has decreased from a reported 1,600 in 2017, but this is largely due to improvements in data quality, as we removed duplicate or redundant records. Together with the placement of collection tins at events, this resulted in £58,696 of income (2017: £67,198). We are grateful to everyone who lets us place a collection tin with them, and the overwhelming and unquantifiable number of people who donate money to them.

We piloted contactless collection tins in summer 2018, but found that they did not cover their costs during our trial. We will reconsider this again in future, when the public become more familiar with contactless giving.

Bag It Up textile recycling

Our partnership with Bag It Up Group Ltd, a commercial participator, raised £29,965 (2017: £23,128) for GWAAC against a target of £28,700, as members of the public generously donated hundreds of bags of textiles at one of 63 recycling banks. This not only results in much needed regular income, it also has environmental benefits as clothing that might otherwise end up in landfill is put to good use.

Talks

During 2018, GWAAC was grateful to 6 volunteers who delivered 95 informative and interesting talks to community groups and businesses on behalf of the charity (2017: 94). Around £23,000 was raised as a direct result of these events (2017: £22,340), but the impact that they have is far wider – increasing awareness of our work and helping us to secure donations and legacies in the future.

Sales

During 2018, we sold significant amounts of GWAAC merchandise and Christmas cards, of which 92% were sold by Cards for Good Causes on our behalf, for which we are very grateful. This resulted in total income of £14,563 (2017: £19,558).

Ride4GWAAC

2018 saw the second Ride4GWAAC motorbike event take place. Gathering the support of the biking community from near and far, around 150 bikers (2017: 303) attended our event in July, raising over £4,000 for GWAAC (2017: £6,000). The decreased interest was disappointing, and is thought due to the event clashing with two large sporting events. We look forward to receiving strong support once again in 2019.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Quizzes

During 2018, Finish First Quizzes ran 53 quizzes in local venues (2017: 65), raising £6,460 for GWAAC. Finish First is classed as a 'professional fundraiser' under the Charities Act 1992 and 2011, and received payment of £2,584 (2017: £2,319), bringing total net gain to GWAAC to £3,876. Due to the time involved in managing this relationship, the increased regulation associated with any fundraising activity and the comparatively small return provided, this arrangement ceased at the end of 2018.

Gifts In Kind

We are very grateful to all the companies who provided us with goods and services during 2018. This includes Mercedes Benz/smart of Bristol who provided us with 3 Smart cars for use by staff for events and fundraising. We are also grateful to local and related businesses, including Eat A Pitta, the Almondsbury Interchange Hotel, Clifton Coffee Roasters, Able Waste, Pukka Herbs, Hills Waste Solutions, Kings Heavy Haulage, Aztec Hotel and Spa, Diphex, Karl Storz, Voodoo Design and ZOLL for their support in proportion to their resources.

Financial review

2018 was expected to be a tough year for regular income fundraising, as we sought to replace significant income streams that terminated in 2017. We achieved regular income of £2,861,087 (2017: £4,324,658) together with £1,303,089 from our Buy our Base capital appeal, giving total funds raised in the year of £4,164,176.

No government grant income was received in 2018 (2017: £1,000,000; 2016: £728,495).

The largest source of income for the charity was income from our lottery, with gross income of £1,771,099 (2017: £1,834,655). Net income from the lottery fell 3% to £1,116,198 (2017: £1,146,707).

Direct expenditure on the operation of the helicopter and the delivery of critical care services was £1,939,189 (2017: £1,801,854). This 8% increase reflects our increased operational activity and increases in the costs of equipment and services borne by the charity. Support costs rose by 8% to £708,060 (2017: £653,583). This reflected the need to expand the staff team to assist with the capital appeal and other costs associated with the campaign.

The capital appeal funds were applied to the purchase of the Almondsbury base, with the balance of the cost being funded from our reserves. This is a capital purchase so not included in expenditure for the year.

We will continue our efforts in 2019 to replace the significant income streams lost from earlier years but at the same time face continued rises in costs, in part as a result of Almondsbury base running costs, but also staff and materials costs incurred in running the emergency service. We anticipate incurring a significant deficit in 2019 and aim to return to an annual surplus in 2020.

Reserves

GWAAC's unrestricted general reserves currently stand at £2,684,252 (2017: £3,149,757). During 2018 reserves were depleted by the purchase of the new base.

The charity seeks to build up to one year of expenditure in reserve, to assist GWAAC should income levels be under pressure, as they are at the present time. The reserve provides a fund that can be used to invest in areas such as developing the airbase or building up a new income stream.

Restricted funds were £113,505 (2017: £782,903) at the end of 2018. These funds are the result of grant income received but not yet spent for Ride4GWAAC, the purchase of operational equipment, funding for Great Western Heart Starters, uniform and training for the Critical Care Team.

The air base is classed as a designated fund, with a current book valuation of £1,984,763 (2017: £nil).

GWAAC has designated funds for staff rewards, which totalled £154 at the end of 2018 (2017: £nil).

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Investment

GWAAC's main bankers are HSBC and currently the charity's cash assets are held by or managed through them. Due to the purchase of the airbase and depleting reserves, the planned diversification of investable cash did not take place during 2018. This will be further considered in 2019.

GWAAC set a target of £3,800 for investment income during 2018, and is pleased that income of £6,335 was earned (2017: £2,299). This increase reflects additional income as a result of the capital appeal, which was not spent until December 2018.

Risks

During 2018, GWAAC undertook a quarterly review of the Key Risks Register. Key risks and their management include:

1. Failure to replace LIBOR funding and County Air Ambulance Trust income with similar donations of a similar scale.

During 2018, GWAAC recruited a specialist Legacy and In Memoriam Fundraiser, and created a new post of Corporate Partnerships Coordinator. These posts are designed to increase income from individual donations, legacies and corporate supporters. Both posts have enjoyed successful fundraising within the year, and we hope that this continues to increase during 2019, as the team members become more confident and well networked in their fields. We have also developed our major donors approach during 2018, as part of our Buy Our Base appeal, and hope to secure significant donations in 2019 and beyond from donors who supported the capital appeal.

2. Failure or sale of helicopter provider.

GWAAC effectively outsources all aviation related activities to Babcock. During 2018, Babcock experienced a significant drop in share price following allegations of financial issues in the company, the closure of a boatyard and concerns over the UK's impending exit from the European Union. Babcock is a large company, and the division with which GWAAC works was not the particular subject of these concerns.

Should Babcock be unable to deliver aviation services for any reason, GWAAC will still have the use of two critical care cars, and there are other helicopter services providers with whom we could contract. GWAAC does not consider that it is desirable to try to insure against this risk or devise extensive contingency plans, beyond moving to car use, as these would be disproportionately expensive.

3. Loss of life or damage to people or property as a result of operational activity

GWAAC has a contract with Babcock for the management of the helicopter, including the provision of pilots, all maintenance and insurance arising from helicopter operations.

GWAAC has a Service Level Agreement with SWASFT, who underwrite all clinical activity, hold the registration with the Care Quality Commission, and maintain the critical care cars.

GWAAC invests in the medical team by funding advanced clinical training, personal development and governance activities to ensure their skill levels are appropriate and there is appropriate oversight of practice standards.

4. SWASFT further reduces its support for the service.

SWASFT currently provides goods and staff to GWAAC, up to a certain annual value. As all public sector bodies are under pressure to reduce expenditure, there is a risk that this level of support will decrease over time.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

GWAAC aims to build reserves sufficient to see the charity through sudden loss of income or other support. GWAAC plans to develop additional income streams during 2019.

5. Failure of GWAAC's bank, creating cash flow problems and loss of reserves.

GWAAC banks with HSBC and has recently spent around £700,000 of brought forward reserves on a capital asset – the airbase. Diversification of cash assets will be further considered during 2019.

Plans for the Future

GWAAC has four strategic objectives to guide the charity between 2018 and 2023. During 2018 progress on many of these was slower than hoped for, as GWAAC's limited resources had to be focused towards the Buy Our Base capital appeal and subsequently purchasing the air base. The charity will use 2019 to reflect on what has been achieved and refocus on the next stages of our development.

1. GWAAC will continue to provide a Pre-Hospital Emergency Care service which supplements and supports NHS services.
2. GWAAC will continue to be a centre of excellence for Pre-Hospital Emergency Care, promoting best practice and developing innovative new approaches for the benefit of all patients, without diverting charitable funds from core activities.
3. GWAAC will continue to be a highly regarded and ethical fundraising charity, maintaining stability through diverse and sustainable income streams and prudent expenditure.
4. GWAAC will continue to be recognised and appreciated by local people as a charity that works for them, is people focused and grateful to supporters.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Great Western Air Ambulance Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

Approved and signed on behalf of the Board by



Martyn Drake
Chair of Trustees

Date 24/4/19.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN AIR AMBULANCE
CHARITY**

Opinion

We have audited the financial statements of Great Western Air Ambulance Charity (the 'charitable company') for the year ended 31 December 2018 which comprise the Statement of Financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN AIR AMBULANCE CHARITY

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Statement of Trustees' Responsibilities

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT WESTERN AIR AMBULANCE
CHARITY**

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Guy Biggin (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House
Lypiatt Road,
Cheltenham
Gloucestershire
GL50 2QJ

Date: 15 May 2019

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:					
Donations and legacies	2	909,422	1,457,224	2,366,646	2,462,154
Other trading activities	3	1,791,195	-	1,791,195	1,860,205
Investments	4	6,335	-	6,335	2,299
Total income		2,706,952	1,457,224	4,164,176	4,324,658
Expenditure on:					
Raising funds	8	1,177,752	-	1,177,752	1,134,906
Charitable activities	8	1,390,143	745,640	2,135,783	2,040,291
Total expenditure	8	2,567,895	745,640	3,313,535	3,175,197
Net income before investment losses		139,057	711,584	850,641	1,149,461
Net losses on investments	12	(627)	-	(627)	-
Net income before transfers		138,430	711,584	850,014	1,149,461
Transfers between Funds	17	1,380,982	(1,380,982)	-	-
Net income / (expenditure) and net movement in funds		1,519,412	(669,398)	850,014	1,149,461
Reconciliation of funds:					
Total funds brought forward	17	3,149,757	782,903	3,932,660	2,783,199
Total funds carried forward	17	4,669,169	113,505	4,782,674	3,932,660

The notes on pages 19 to 34 form part of these financial statements.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)
REGISTERED NUMBER: 06386523

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	11		2,025,785		43,839
Investments	12		1,018,760		-
			<u>3,044,545</u>		<u>43,839</u>
Current assets					
Stocks	13	17,164		13,651	
Debtors	14	900,011		887,972	
Cash at bank and in hand		1,119,612		3,407,697	
		<u>2,036,787</u>		<u>4,309,320</u>	
Creditors: amounts falling due within one year	15	(298,658)		(420,499)	
Net current assets			<u>1,738,129</u>		<u>3,888,821</u>
Net assets			<u>4,782,674</u>		<u>3,932,660</u>
The funds of the charity					
Restricted funds	17		113,505		782,903
Unrestricted funds	17		4,669,169		3,149,757
Total charity funds			<u>4,782,674</u>		<u>3,932,660</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 24/4/19 and signed on their behalf, by:



Martyn Drake
Chair of Trustees

The notes on pages 19 to 34 form part of these financial statements.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	19	715,487	1,292,562
Cash flows from investing activities:			
Interest income		6,335	2,299
Proceeds from the sale of tangible fixed assets		5,900	-
Purchase of tangible fixed assets		(2,008,088)	(6,516)
Transfer of cash at bank to Money Market investment		(1,007,719)	-
Net cash used in investing activities		(3,003,572)	(4,217)
Change in cash and cash equivalents in the year		(2,288,085)	1,288,345
Cash and cash equivalents brought forward		3,407,697	2,119,352
Cash and cash equivalents carried forward	20	1,119,612	3,407,697

The notes on pages 19 to 34 form part of these financial statements.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies

Great Western Air Ambulance Charity was incorporated in England and Wales as a private company limited by guarantee (registered no. 06386523) and has no share capital. Great Western Air Ambulance Charity is also a registered charity with the Charity Commission (registered no. 1121300).

The liability of members in the event of winding up is limited to an amount not exceeding £1 per member; the number of members as at 31 December 2018 was seven.

The registered office is County Gates, Ashton Road, Bristol, BS3 2JH.

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

Great Western Air Ambulance Charity meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

After reviewing the charity's forecasts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements, determining that there are no material uncertainties.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Lottery income is accounted for when the charity is entitled to the funds.

The charity receives grants in respect of ongoing costs, specific equipment purchase and education funds. Income from the government and other grants are recognised when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting Policies (continued)

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Volunteering continues to grow at the charity. Office based volunteers provide assistance in cash-counting, data entry and stock control. We also have a team of fundraising volunteers who help out at events, present the work of the charity to local organisations and perform the role of ambassadors. The value of services provided by volunteers has not been included in the financial statements as their value cannot be measured reliably.

1.4 Expenditure

All expenditure is accounted for on an accruals basis. The irrecoverable amount of VAT is included within support costs.

Raising funds comprise those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds such as lottery prizes.

Charitable activities include expenditure associated with the operation of the helicopter, airbase facilities, paramedic and doctors' remuneration and medical equipment.

Governance costs are those incurred in the governance of the charity and are primarily associated with constitutional, regulatory and statutory requirements, and are included within support costs.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	5% Straight line
Property improvements	-	15% Reducing balance
Freehold land	-	Not depreciated
Medical equipment	-	33.33% Straight line
Motor vehicles	-	25% Straight line
Fixtures, fittings and equipment	-	10% - 33.33% Straight line and 25% Reducing balance

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting Policies (continued)

1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses are combined and shown in the heading 'gains / (losses) on investments' in the Statement of financial activities.

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 Stocks

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

1.9 Debtors

Other debtors and accrued income are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and deposits held with banks.

1.11 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Financial instruments

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

1.13 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.14 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting Policies (continued)

1.15 Fund accounting

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

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

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

1.16 Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make any significant estimates and judgements where necessary. The items in the financial statements where material estimates and judgements have been made include:

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the tangible assets and note 1.5 for the useful lives for each class of asset.

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Donations	723,731	8,300	732,031	1,026,526
Legacies	85,310	-	85,310	188,850
Gifts in kind	17,004	-	17,004	3,888
Collection boxes	58,696	-	58,696	67,199
Government grants	200	21,876	22,076	1,000,000
Other grants	24,481	123,959	148,440	175,691
Capital appeal	-	1,303,089	1,303,089	-
Total	909,422	1,457,224	2,366,646	2,462,154

Legacy pipeline

£122,850 worth of legacies notified to the Charity did not meet the recognition criteria and hence have not been accounted for within these financial statements.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Charity trading income				
Other	20,096	-	20,096	25,550
Lottery income	1,771,099	-	1,771,099	1,834,655
	<u>1,791,195</u>	<u>-</u>	<u>1,791,195</u>	<u>1,860,205</u>
Fundraising trading expenses				
Direct costs - Fundraising	666,286	-	666,286	695,632
Net income from trading activities	<u>1,124,909</u>	<u>-</u>	<u>1,124,909</u>	<u>1,164,573</u>

4. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	6,335	-	6,335	2,299

5. Direct costs

	Fundraising expenses £	Critical Care Operations £	Total 2018 £	Total 2017 £
Helicopter running costs	-	1,380,600	1,380,600	1,346,625
Doctor and paramedic costs	-	423,014	423,014	309,570
Other helicopter related costs	-	126,088	126,088	148,906
Lottery	654,901	-	654,901	687,948
Cost of merchandise	11,385	-	11,385	7,684
Depreciation	-	9,487	9,487	20,881
	<u>666,286</u>	<u>1,939,189</u>	<u>2,605,475</u>	<u>2,521,614</u>

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Support costs

	Fundraising costs £	Governance £	Critical Care Operations £	Total 2018 £	Total 2017 £
General costs of goods for events	48,166	-	-	48,166	80,864
Motor costs, travel and subsistence	19,464	-	10,480	29,944	31,195
Consultancy fees	-	4,077	-	4,077	5,128
Premises costs	19,188	1,771	8,561	29,520	32,267
Computer costs	7,233	668	3,226	11,127	14,143
Publicity, PR and design	19,306	-	-	19,306	17,254
Office costs	20,925	1,932	9,336	32,193	26,445
Insurances	987	91	441	1,519	1,635
Legal and professional fees	3,732	345	1,665	5,742	41,997
Accountancy	-	21,610	-	21,610	24,198
Subscriptions	3,457	319	1,542	5,318	2,959
Bank charges and fees	1,395	-	-	1,395	1,262
VAT irrecoverable / (recoverable)	7,892	-	-	7,892	(18,145)
Sundry expenses	1,295	120	578	1,993	4,410
Staff costs	350,306	38,537	86,922	475,765	375,204
Depreciation	8,120	750	3,623	12,493	12,767
	<u>511,466</u>	<u>70,220</u>	<u>126,374</u>	<u>708,060</u>	<u>653,583</u>

7. Governance costs

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Support costs - Governance	30,933	-	30,933	30,982
Wages and salaries	38,537	-	38,537	30,508
Depreciation	750	-	750	766
	<u>70,220</u>	<u>-</u>	<u>70,220</u>	<u>62,256</u>

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Analysis of expenditure by type

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Fundraising support costs	350,306	8,120	153,040	511,466	439,274
Fundraising direct costs	-	-	666,286	666,286	695,632
Costs of raising funds	350,306	8,120	819,326	1,177,752	1,134,906
Critical Care Operations	86,922	13,110	1,965,531	2,065,563	1,978,035
Expenditure on governance	38,537	750	30,933	70,220	62,256
	475,765	21,980	2,815,790	3,313,535	3,175,197

9. Net income

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	21,980	33,648
Auditor's remuneration - audit	7,800	9,650
Auditor's remuneration - other services	9,916	5,750
Operating lease rentals	1,133,853	1,118,020

During the year, no Trustees received any reimbursement of expenses. (2017: £nil).

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	430,817	339,760
Social security costs	36,659	31,403
Pension costs	8,289	4,041
	<u>475,765</u>	<u>375,204</u>

The average number of persons employed by the company during the year was as follows:

	2018 No.	2017 No.
Administration	<u>16</u>	<u>12</u>

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £60,001 - £70,000	<u>1</u>	<u>-</u>

Included in staff costs is £10,674 (2017: £nil) relating to redundancy and settlement agreements.

The key management personnel of the charity are the CEO, Head of Fundraising, Head of Communications and Head of Finance & Premises. The remuneration of these employees totalled £192,451 (2017: £168,667). This is inclusive of employer's national insurance and pension contributions.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. Tangible fixed assets

	Freehold land and property £	Property improvements £	Medical equipment £	Motor vehicles £	Fixtures and fittings and equipment £	Total £
Cost						
At 1 January 2018	-	12,570	73,125	10,800	47,560	144,055
Additions	1,759,763	-	3,905	-	244,420	2,008,088
Disposals	-	-	-	(10,800)	-	(10,800)
At 31 December 2018	1,759,763	12,570	77,030	-	291,980	2,141,343
Depreciation						
At 1 January 2018	-	5,208	62,263	6,638	26,107	100,216
Charge for the year	-	1,104	9,487	-	11,389	21,980
On disposals	-	-	-	(6,638)	-	(6,638)
At 31 December 2018	-	6,312	71,750	-	37,496	115,558
Net book value						
At 31 December 2018	1,759,763	6,258	5,280	-	254,484	2,025,785
At 31 December 2017	-	7,362	10,862	4,162	21,453	43,839

12. Fixed asset investments

	Listed securities £	Money Market £	Total £
Market value			
At 1 January 2018	-	-	-
Donated shares	11,668	-	11,668
Loss on investments	(627)	-	(627)
Transfer from cash at bank and in hand	-	1,007,719	1,007,719
At 31 December 2018	11,041	1,007,719	1,018,760

All the fixed asset investments are held in the UK.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Stocks

	2018	2017
	£	£
Goods for resale	17,164	13,651

14. Debtors

	2018	2017
	£	£
VAT debtor	409,950	9,239
Other debtors	348,820	8,740
Prepayments and accrued income	141,241	869,993
	<u>900,011</u>	<u>887,972</u>

15. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	91,629	65,755
Other taxation and social security	17,454	9,183
Provision for dilapidations	10,000	10,000
Accruals and deferred income	179,575	335,561
	<u>298,658</u>	<u>420,499</u>

16. Financial instruments

	2018	2017
	£	£
Financial assets measured at settlement value	1,483,427	3,416,437
Financial assets measured at fair value	1,018,760	-
	<u>2,502,187</u>	<u>3,416,437</u>
Financial liabilities measured at settlement value	<u>271,204</u>	<u>401,315</u>

Financial assets measured at settlement value comprise of other debtors, accrued income and cash at bank.

Financial assets measured at fair value comprise of investments.

Financial liabilities measured at settlement value comprise of trade creditors and accruals.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2018 £
Designated funds						
Staff designated fund	-	2,000	(1,846)	-	-	154
New airbase	-	-	-	1,984,763	-	1,984,763
	<u>-</u>	<u>2,000</u>	<u>(1,846)</u>	<u>1,984,763</u>	<u>-</u>	<u>1,984,917</u>
Unrestricted funds						
General fund	3,149,757	2,704,952	(2,566,049)	(603,781)	(627)	2,684,252
Total Unrestricted funds	<u>3,149,757</u>	<u>2,706,952</u>	<u>(2,567,895)</u>	<u>1,380,982</u>	<u>(627)</u>	<u>4,669,169</u>
Restricted funds						
Training and education fund	-	25,300	(4,961)	-	-	20,339
Operating costs fund	673,847	59,445	(729,792)	-	-	3,500
Equipment fund	18,456	56,125	(1,108)	(2,893)	-	70,580
Medical costs fund	15,000	-	(4,326)	-	-	10,674
Premises and infrastructure fund	75,000	-	-	(75,000)	-	-
Great Western Heart Starters fund	600	8,265	(1,413)	-	-	7,452
Buy our Base Capital Appeal	-	1,303,089	-	(1,303,089)	-	-
Ride4GWAAC	-	5,000	(4,040)	-	-	960
	<u>782,903</u>	<u>1,457,224</u>	<u>(745,640)</u>	<u>(1,380,982)</u>	<u>-</u>	<u>113,505</u>
Total funds	<u>3,932,660</u>	<u>4,164,176</u>	<u>(3,313,535)</u>	<u>-</u>	<u>(627)</u>	<u>4,782,674</u>

Designated Funds

The Staff designated fund represents amounts set aside for staff rewards.

The new airbase fund represents the net book value of the new airbase and associated fixtures and fittings.

Restricted Funds

Restricted funds are financed by grants and donations given for the specific purposes set out below.

Training and Education Fund

This Fund has been set up to provide necessary training and education to the Critical Care team,

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

17. Statement of funds (continued)

particularly in the area of Pre-Hospital Emergency Medicine.

Operating Costs Fund

The Charity received money, including £1 million from the LIBOR Fund, to contribute to the operating costs of the helicopter. These funds have been fully spent in the year.

Equipment Fund

Monies received towards the purchase of necessary medical and other operational equipment.

Medical Costs Fund

The Medical Costs Fund relates to funds received specifically for the provision of blood and plasma for the Pre-hospital blood transfusion service.

Premises and Infrastructure Fund

Funding was received from the County Air Ambulance Trust to help cover the costs of the new operational base, in particular the fuel tank provision, for the GWAAC helicopter and crew.

Great Western Heart Starters Fund

This Fund has been set up to fund the education programme, Great Western Heart Starters, which teaches CPR and basic life support skills in Secondary schools.

Ride4GWAAC

Funds received towards the motorcycle Ride4GWAAC event.

Buy Our Base Capital Appeal

This relate to funds from a wide variety of sources that were given towards the purchase of the Almondsbury Emergency Air Operations Base. As the purchase of the airbase fulfills the donor restrictions, these funds have been transferred to unrestricted funds.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2017 £
Unrestricted funds						
General fund	2,783,199	3,178,367	(2,811,809)	-	-	3,149,757
Restricted funds						
Training and education fund	-	5,000	(5,000)	-	-	-
Operating costs fund	-	1,017,054	(343,207)	-	-	673,847
Equipment fund	-	30,950	(12,494)	-	-	18,456
Medical costs fund	-	17,500	(2,500)	-	-	15,000
Premises and infrastructure fund	-	75,000	-	-	-	75,000
Great Western Heart Starters fund	-	787	(187)	-	-	600
	-	1,146,291	(363,388)	-	-	782,903
Total of funds	2,783,199	4,324,658	(3,175,197)	-	-	3,932,660

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	2,025,785	-	2,025,785
Fixed asset investments	1,018,760	-	1,018,760
Current assets	1,923,282	113,505	2,036,787
Creditors due within one year	(298,658)	-	(298,658)
	4,669,169	113,505	4,782,674

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Tangible fixed assets	43,839	-	43,839
Current assets	3,526,417	782,903	4,309,320
Creditors due within one year	(420,499)	-	(420,499)
	<u>3,149,757</u>	<u>782,903</u>	<u>3,932,660</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	850,014	1,149,461
Adjustment for:		
Depreciation charges	21,980	33,648
Interest income	(6,335)	(2,299)
Profit on the sale of fixed assets	(1,738)	-
Increase in stocks	(3,513)	(8,849)
Increase in debtors	(12,039)	(138,542)
(Decrease)/increase in creditors	(121,841)	259,143
Donated shares	(11,041)	-
Net cash provided by operating activities	<u>715,487</u>	<u>1,292,562</u>

20. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand and at bank	<u>1,119,612</u>	<u>3,407,697</u>
Total	<u>1,119,612</u>	<u>3,407,697</u>

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

21. Pension commitments

The charity administers a defined contribution pension scheme in respect of its employees. The pension costs represent the contributions due from the charity and amounted to £8,289 (2017: £4,041). All pension costs are charged to unrestricted funds, this is the fund from which wages and salaries are paid.

22. Operating lease commitments

At 31 December 2018 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	1,080,719	1,207,164
Between 1 and 5 years	3,387,485	1,655,282
Total	<u>4,468,204</u>	<u>2,862,446</u>

23. Guaranteed future income

The charity has guaranteed future income from the National Police Air Service who operate from the same airbase and have an ongoing rental agreement with the charity.

24. Related party transactions

During the year Professor Jonathan Benger (Trustee) received remuneration totalling £nil for work undertaken as a pre-hospital critical care doctor (2017: £550). £Nil was outstanding at the year end (2017: £nil).

Also, Dr Matthew Thomas has received remuneration of £1,100 (2017: £nil) for work undertaken for the charity as a doctor since his appointment as a Trustee. £Nil was outstanding at the year end (2017: £nil).

The Trustees are not remunerated for their services as trustees.

GREAT WESTERN AIR AMBULANCE CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

25. Statement of Financial Activities for the year ended 31 December 2017

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £
Income from:			
Donations and legacies	1,315,863	1,146,291	2,462,154
Other trading activities	1,860,205	-	1,860,205
Investments	2,299	-	2,299
Total income	3,178,367	1,146,291	4,324,658
Expenditure on:			
Raising funds	1,134,906	-	1,134,906
Charitable activities	1,676,903	363,388	2,040,291
Total expenditure	2,811,809	363,388	3,175,197
Net income and net movement in funds	366,558	782,903	1,149,461
Reconciliation of funds:			
Balance brought forward	2,783,199	-	2,783,199
Total funds carried forward	3,149,757	782,903	3,932,660