

THE DORSET & SOMERSET AIR AMBULANCE 2008 ANNUAL REPORT

(Including Accounts April 2007 – March 2008)

Landacre House
Castle Road
Chelston Business Park
WELLINGTON
TA21 9JQ

Tel: 01823 669604, Fax: 01823 664756, Email:
Info@dorsetandsomersetairambulance.org.uk

The Dorset and Somerset Air Ambulance is a Registered Charity (No: 1078685) and a Company limited by Guarantee. The Charity was established in January 2000.

The objectives of the Charity are the emergency relief of sickness and injury, and the protection of human life, by the provision of an air ambulance for the benefit of the population of Dorset and Somerset.



TRUSTEES AND ADVISERS

The DSAA Board is responsible for setting the overall policy and strategy for the Charity, for monitoring performance and risk and maintaining the highest public standards required by the Charity.

<p>Chairman of Trustees Mrs Terri Gill</p> <p>Trustees Lieutenant Colonel Michael Clayton RM Mr Robert Drewett DL MA (Oxon) ** Mr Sandy Evans *** # Mr Roger Ferre Mrs Josephine Gardner Brigadier Colin Harrisson CVO OBE * General Sir Brian Kenny GCB CBE # Mr Simon Michell MA (Cantab) Brigadier Christopher Wolverson OBE MA (Cantab)</p> <p>* Vice Chairman ** Honorary Legal Adviser *** Honorary Treasurer # Retired during year</p> <p>Patrons Lady Gass, Lord Lieutenant of Somerset Mrs Anthony Pitt-Rivers, Lord Lieutenant of Dorset</p> <p>Vice Patron Mr Andrew Caddick</p> <p>Director Mrs Nicola Howkins</p> <p>Company Secretary Mr Colin Launchbury ACMA</p>	<p>Auditors Hope Jones Dunlop House 23a Spencer Road New Milton BH25 6BZ</p> <p>Investment Managers Citi Quilter Queens Quay 33-35 Queen Square Bristol BS1 4LU (wef 02.10.08)</p> <p>Bankers National Westminster Bank 49 South Street Dorchester DT1 1DW</p> <p>Solicitors Osborne Clarke 2 Temple Back East Temple Quay Bristol BS1 6EG (wef 14.3.08)</p>
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REPORT BY THE CHAIRMAN OF TRUSTEES

I am delighted, as Chairman, to introduce this, the second Annual Report of the Dorset & Somerset Air Ambulance Charity (DSAA).

This has been a turbulent but extremely successful year for the Dorset and Somerset Air Ambulance. May was a very busy month for the Charity; the offices were moved from portakabins behind the Ambulance Headquarters in Taunton into a leased, newly built, office on the Chelston Business Park, Wellington. These modern facilities will enable the Charity to meet its charitable objectives, support fundraising activities and act as a firm foundation on which to build for future enhancement to the scope of our operations. Following closely on the office move the aircraft relocated from the Agusta Westland's Yeovil airfield to a temporary site adjacent to the new facilities which were under construction at Henstridge. In August we were delighted to complete the move by occupying an impressive new airbase which has been made possible by the wonderful generosity and enterprise of Mr Geoff Jarvis who owns much of Henstridge Airfield. Without his drive and the professionalism of his construction and building team the project could not have been achieved to such a high standard within such a short time. The 550 sq m hangar incorporates both offices and facilities for the pilot, engineer and paramedics and a room for the Charity's exclusive use.

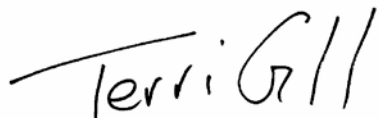
I am extremely grateful to Commodore Christopher Palmer and his staff at RNAS Yeovilton who provided us with a safety net throughout this uncertain period when they worked so hard to facilitate a move to Yeovilton, which, in the end, did not take place. Thanks also go to Agusta Westland who gave us a home for fifteen months while we searched for a new operational base.

As we strengthen our governance arrangements we intend to adopt new bilateral Operating Agreements with both the South Western Ambulance Service NHS Trust (SWAST) and Bond Air Services Limited. The Charity has joined a newly created umbrella organisation, the Association of Air Ambulances (AAA), the membership of which will inform us of best practice in operating your air ambulance. We will, for the foreseeable future, continue to staff our aircraft with two paramedics, albeit with further advanced training and enhanced skills.

Sir Brian Kenny, one of the Charity's founding trustees and Sandy Evans, our very able Treasurer, did not offer themselves for re-election at the Annual General Meeting. 'JC' Woods, the Charity's longest serving pilot, also left the Air Ambulance family. Our grateful thanks go to them all for their efforts on behalf of the Charity and we wish them every success in their future endeavours. We are pleased to welcome a new pilot, Phil Merritt, and new Trustees, with the relevant expertise, will be appointed shortly.

On behalf of the Trustees, I would like to congratulate Nicola Howkins, Director, and all of the staff and volunteers. Without their enthusiasm, continued support, drive and success, we would not be able to operate the air ambulance.

Finally I would like to thank SWAST, Bond Air Services and in particular the paramedics and pilots whose knowledge, skill and cheerful enthusiasm ensure that the people of Somerset and Dorset receive an outstanding air ambulance emergency service.



T M Gill

REPORT BY THE BOARD OF TRUSTEES

Public Benefit

DSAA provides the funds to operate, support and administer an emergency helicopter for the benefit of the communities of Dorset and Somerset. The more the helicopter is tasked, the more it publicises the work and achievements of the air ambulance and creates a fund of good will towards the Charity and its aims. Each sortie provides analytical data on which to base decisions regarding the future requirements of the air ambulance and inform the Charity's Business Plan as to the best allocation of resources. The voluntary help and generosity of the population of both counties translates into positive publicity and yet more funding support for the Air Ambulance.

Structure, Governance and Management

DSAA is controlled by a Board of Trustees embracing a balanced spectrum of skills and experience including Healthcare, Aviation, Legal, Business, Finance, the Services, Charities and Local Affairs. Trustees are appointed in accordance with the DSAA constitution and fulfill their responsibilities within clearly defined and approved Terms of Reference. The Board comprises a Chairman and up to twelve other Trustees. At least four Trustees represent each County. The Board is strengthened by the Deputy Finance Director of SWAST who is the Company Secretary, and a Consultant Anaesthetist who is the Honorary Medical Adviser. Representatives from Bond Air Services Limited and SWAST also attend Board meetings as required to provide additional operational advice.

Trustee Responsibilities

DSAA Board Meetings are held routinely four times a year, with extra meetings as required, to ensure that the Charity is properly managed and operates in accordance with current legislation and its constitution. Sub Committees of the Board, which include the Finance and Governance (F & G), Health & Safety, and Staffing & Remuneration, are chaired by and composed of Trustees with the appropriate background.

RISK MANAGEMENT

Air Ambulance Operation

The principal risks to which the Charity is exposed are set out in the Charity's Risk Management Strategy. This document is regularly reviewed and updated before being placed before the Board of Trustees for consideration and formal approval at least once a year. In this way the Board is kept informed of current risks and is in a position to satisfy themselves that appropriate measures and systems have been adopted to minimise or eliminate those risks and that appropriate insurance cover is in place.

The helicopter is leased from a long established and well resourced company with extensive experience in operating and managing air ambulance services within the UK.

Financial

The Trustees are responsible for ensuring that the Charity has sound systems of financial control; that proper accounting records are kept and that the financial statements comply with the Charities Act 1993 and the Charities (Accounts and Reports) Regulations 2000.

The F&G Committee reviews the Risk Policy, monitors the management of these risks and reports to the Board of Trustees. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking all reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively in pursuit of its objectives.
- its assets are safeguarded against unauthorised use or disposition
- proper records are maintained and the financial information used within the Charity or for publication is reliable.
- the Charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a Business Plan and an annual budget approved by the Trustees.
- regular consideration by the Trustees of financial results, variance from budgets and non-financial performance indicators.
- appropriate delegation of authority and segregation of duties.

- identification and management of risks

Charity 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 charity and the group and of the surplus or deficit of the charity and group for that period. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and have applied them consistently.
- prepared the financial statements in compliance with current legislation and regulation.

Investment Policy

DSAA has adopted an investment policy which minimises financial risk to the Charity, maximises returns and ensures capital growth. Citi Quilter has been appointed as the Charity's Investment Adviser for an equity based share portfolio.

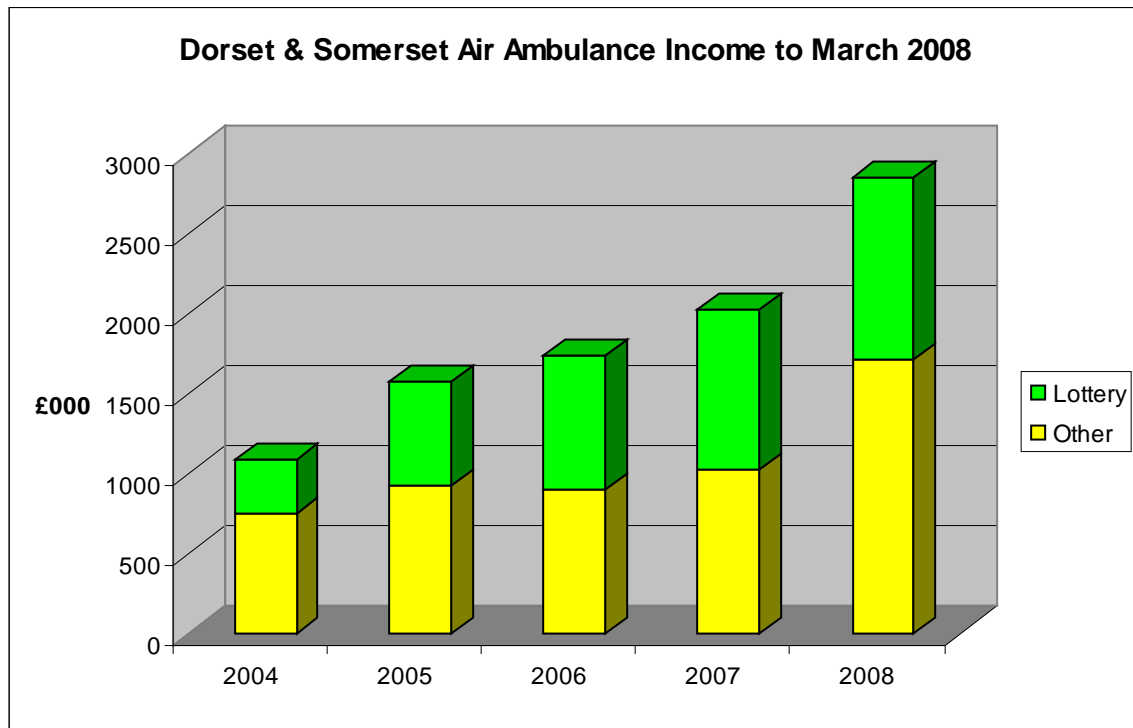
Reserves Policy

The Trustees have agreed that the charity should maintain £500,000 in cash as a strategic reserve to cover all known contractual liabilities with a further £250,000 required for the Bond Air Services Limited contract. The present level of funding is considered adequate to support the continuation of the Charity for the medium term and the Trustees consider the financial position of the Charity to be satisfactory. The majority of the reserves are unrestricted in their availability for use by the Charity

Employees

DSAA is an Equal Opportunities Employer and currently employs 9 full time equivalent staff who are based at the Charity Headquarters in Wellington and 4 full time staff working from the Lottery Office in Ringwood. The Pilots are provided under contract by Bond Air Services Limited and the Paramedics are employed by SWAST. Any applicant seeking employment with DSAA or any existing member of the DSAA staff receives no less favourable treatment on grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability. Individuals are appointed on the basis of their relevant merits and given appropriate induction training. Further appropriate training is offered to employees from time to time to assist them as well as for the benefit of DSAA in general.

FUND RAISING REPORT



2008 has been another very successful year!

The Charity's income comes from a wide range of sources. The lottery has continued to grow, but 2008 has been the toughest year to date. Although, thanks to the sterling efforts of our canvassers, we recruit over a hundred new members every week, there is also a steady wastage. This is predictable, as the lottery is now over eight years old and, on average, a membership of a charitable lottery lapses after some four to seven years. We are concentrating on encouraging new members from within businesses and pushing "extras", (one off lottery tickets at major events). Notwithstanding these challenges, the lottery has, for the first time, achieved an annual income of more than one million pounds. Thank you to everyone who supports this vital income stream.

During 2008 DSAA started the move from a fund receiving organisation to one which arranges its own fund raising activities. A small team of high quality fund raising employees have arranged a series of events, over the summer, which have generated significant income. Bras have been the focus of two highly successful initiatives at the Castlepoint Shopping Centre in Bournemouth and at Shepton Mallet. A day at Salisbury Races in July and another at the Bournemouth Air Show during August combined successful fundraising with enjoyment for everyone involved. September saw an exciting Auction of Promises in Bournemouth and a sell out fashion show was held in Taunton in October.

The recycling campaign with BagitUp has gone from strength to strength. At the year end we are receiving over £1,000 per week from the 130 recycling banks across the two counties. Mobile phone recycling has also been a great success and plans for 2009 will include the development of this project within schools and businesses.

Many organisations continue to raise considerable sums of money to support the Charity. The 120mile Solarola Adventure was a week of great excitement and indeed successful fundraising. Seven trusty volunteers many of them ex-patients overcame wind and rain to drive “buggies” from London to the Bath & West Showground to raise money for the air ambulance.



Allan Long, representing DSAA, with fellow ‘Rolas’, including Annie Maw, the High Sheriff of Somerset, outside Ham House near Richmond, Surrey.

The opening night of our airbase was an opportunity for dressing up, dining and dancing. Many old and new supporters came to see the very heart of the operation. Amazingly even more supporters braved the freezing cold and pouring rain at Henstridge to attend the first airbase bonfire night. Despite the weather nothing seemed to dampen either the spirits of most of the crowd, or their generosity.

DSAA is grateful to the Western Gazette which ran a very successful fundraising campaign to raise sufficient funds for the Charity to purchase an “Eye in the Sky” to assist the pilots and paramedics locate an incident. Unfortunately the installation of this essential equipment has been delayed due to technical difficulties but we are confident that these problems will be solved and it will become operational shortly.

During the course of 2008 we have formed lasting relationships with the Dorset and Somerset Masonic Lodges, the Rotary Clubs of the two counties, Dextra Lighting of Gillingham, Framptons, and Taunton Leisure who have all become official sponsors of the Charity.

Legacies

Legacies are forming an increasing and vital component of our fund raising and we are very grateful to all who have chosen the Dorset & Somerset air Ambulance to be recipient of donations in lieu of funeral flowers. The bereavement of supporters helps save the lives of others.

OPERATIONS REPORT

Our helicopter, a Eurocopter 135, is tasked in Somerset by SWAST from a new Helicopter Emergency Dispatch desk in Exeter which also serves the air ambulances of Devon and Cornwall. Tasking in Dorset will continue to be from the 'East Clinical Hub' in Ringwood, but this arrangement is under review and eventually one Helicopter Emergency Medical Service (HEMS) desk should serve to cover the whole of the SWAST area.

The helicopter is currently ready to launch during daylight hours, 7 days a week 365 days a year. It carries two highly trained paramedics who attend serious trauma or medical incidents within Dorset and Somerset.

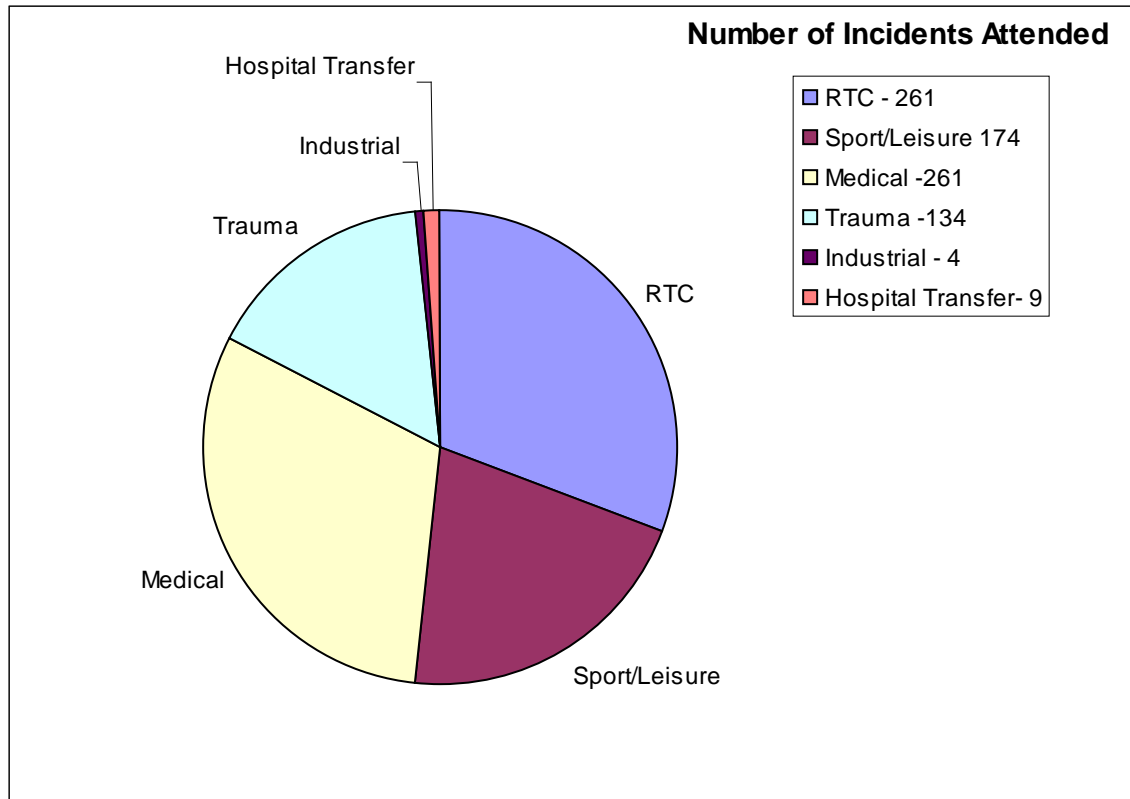
The Eurocopter 135 is a purpose built Air Ambulance whose internal space gives the option of carrying a family member, doctor or additional medical equipment when required.



Trauma accounts for 70% of the helicopter tasking and about 30% of missions are of a medical nature. The number of missions flown is similar across both counties. Irrespective of the location of the incident, patients are transferred to the hospital best equipped to deal with the injuries, even if this is outside of the operating area. When necessary the aircraft is deployed into adjacent counties to assist other air ambulances.



G-DORS on the pad at the new Henstridge airbase.



FUTURE PLANS

The Board, informed by specialist advice, actively examines and debates the way forward for your air ambulance. A 5 year rolling Business Plan incorporates the Trustees ambitions to improve the quality and scope of the Charity's activities. The development of fundraising is a necessary precursor to planned improvements in the nature and scope of operations. Until the effects of the recession can be assessed fully and expected major developments within the National Health Service are implemented, the Charity will not commit to any major changes in the short term. However, long term planning will continue and, in spring 2009, we will further enhance the skills of our paramedics through a one day a week training programme, which will include a trial, over a 6 month period, of deploying with a doctor-on-board.

SUMMARISED ACCOUNTS

INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDING 31ST MARCH 2008

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	
			<u>31.3.08</u>	<u>31.3.07</u>
<u>Incoming Resources</u>				
Voluntary Income - Donations and Gifts	0	1,450,187	1,450,187	849,175
Sale of Merchandise	0	19,044	19,044	21,866
Activities for generating funds	0	1,232,163	1,232,163	1,074,255
Investment Income	0	138,794	138,794	70,376
Other Incoming Resources -				
	<u>0</u>	<u>15,965</u>	<u>15,965</u>	<u>16,610</u>
<u>Total Incoming Resources</u>	<u>0</u>	<u>2,856,153</u>	<u>2,856,153</u>	<u>2,032,282</u>
<u>Resources Expended</u>				
<u>Fundraising Expenses</u>	0	197,818	197,818	200,732
<u>Direct Charitable</u>	0	1,447,954	1,447,954	1,046,751
<u>Other Expenditure</u>				
Purchases	0	15,051	15,051	20,347
Management and Administration of the Charity	<u>0</u>	<u>162,936</u>	<u>162,936</u>	<u>126,201</u>
<u>Total Expenditure</u>	<u>0</u>	<u>1,823,759</u>	<u>1,823,759</u>	<u>1,394,031</u>
<u>Net Income (Expenditure) for the year</u>	0	1,032,394	1,032,394	638,251
Unrealised Gains from Investments	<u>0</u>	<u>-37,568</u>	<u>-37,568</u>	<u>47,849</u>
<u>Net Movements in Funds</u>	0	994,826	994,826	686,100
<u>Total Funds brought forward</u>	<u>1,031</u>	<u>2,236,527</u>	<u>2,237,558</u>	<u>1,551,458</u>
<u>Total Funds carried forward</u>	<u>£1,031</u>	<u>£3,231,353</u>	<u>£3,232,384</u>	<u>£2,237,558</u>

BALANCE SHEET FOR YEAR ENDING 31ST MARCH 2008

	<u>2008</u>		<u>2007</u>	
	<u>Group</u>	<u>Charity</u>	<u>Group</u>	<u>Charity</u>
<u>Fixed Assets</u>				
Tangible Assets	4,136	4,136	11,720	11,720
Investments	792,438	792,439	580,006	580,007
	<u>796,574</u>	<u>796,575</u>	<u>591,726</u>	<u>591,727</u>
<u>Current Assets</u>				
Stock	5,347	0	11,304	0
Debtors	16,765	16,765	29,345	29,345
Cash at Bank and in Hand	2,854,140	2,853,022	1,892,212	1,889,324
	<u>2,876,252</u>	<u>2,869,787</u>	<u>1,932,861</u>	<u>1,918,669</u>
<u>Creditors: Amounts falling due within one year</u>	<u>440,466</u>	<u>456,097</u>	<u>262,029</u>	<u>269,933</u>
<u>Net Current Assets</u>	<u>2,435,786</u>	<u>2,413,690</u>	<u>1,670,832</u>	<u>1,648,736</u>
<u>Total Assets less current Liabilities</u>	<u>3,232,360</u>	<u>3,210,265</u>	<u>2,262,558</u>	<u>2,240,463</u>
<u>Creditors: Amounts falling due after more than one year</u>	<u>0</u>	<u>0</u>	<u>25,000</u>	<u>25,000</u>
	<u>£3,232,360</u>	<u>£3,210,265</u>	<u>£2,237,558</u>	<u>£2,215,463</u>
<u>Capital</u>				
Revaluation Reserve	42,438	42,438	80,006	80,006
Restricted Income Funds	1,031	1,031	1,031	1,031
Unrestricted Funds	3,188,891	3,166,796	2,156,521	2,134,426
	<u>£3,232,360</u>	<u>£3,210,265</u>	<u>£2,237,558</u>	<u>£2,215,463</u>