



# St John Ambulance

**Annual Report and Accounts**  
For the year ended 31 December 2018





# Contents

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<b>Report of the directors</b> incorporating the strategic report	Welcome	4
	Contrasting perspectives on a year at St John	6
	Building resilience	6
	Supporting communities big and small	10
	Meeting changing needs in changing conditions	12
	Effective but compassionate care	14
	Developing our young people	17
	Commemorating the past as we look to the future	20
	Progressing our plans from 2017	22
	Looking forward	26
	Statement of public benefit	28
	Financial review	30
	Structure, governance and management	42
	Our principal risks and uncertainties	48
	In gratitude	50
<hr/>		
	Independent auditor's report	52
<hr/>		
<b>Financial statements</b>	Statement of Financial Activities	56
	Balance sheet	57
	Cash flow statement	58
	Notes to the accounts	59
<hr/>		
	Royal patrons, directors, management and committees	81
	Principal places of business and advisors	84
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# Welcome

**The Hospitallers of St John of Jerusalem have been helping those in need for over 900 years; our current Venerable Order of St John is now a global healthcare charity operating in 41 countries, the ancient cultural home of this great organisation being based at St John's Gate in London. The Priory of England & the Islands plays a major role in leading the Order's international endeavours, and during this past year we have supported the St John Eye Hospital Group, the regional St John Associations in Gibraltar, Malta and Cyprus, provided direct help to the Association in Sri Lanka, and continued to support our four Island Commanderies.**

Throughout the year in England the staff and volunteers of St John Ambulance pay witness to thousands of stories of compassion in communities across the country; the incidents that we face might change over the years, but our humanity has never wavered, treating those whom we see without judgement. We take time to care, discovering new and better ways to preserve and protect life. This annual report is dedicated to those volunteers who are at the heart of our efforts, in extremes of heat and cold, day and night, with thanks for their dedication, skill and humanity.

**2018 was also a year where we took important decisions to prepare our charity for the future**

This has been a busy and productive year in which I also pay tribute to the Chief Executive and his refreshed leadership team who have worked hard throughout the year to support the trustees in turning our strategic vision into reality, both to set us on a solid and sustainable path for the future, and to ensure that our charitable outputs are at the forefront of our minds. The launch of our new strategy will set the scene for the next three years and beyond, and which has only been possible with input from so many of the St John family across the country.

I have enjoyed visiting units around the country, meeting our volunteers, and The National Cadet of the Year competition was once again one of the highlights, not only showing off the very best of our cadets, of whom I am so immensely proud, but emphasising the importance of young people to our charity, starting with 7 year old Badgers up to 18 year old Cadets, the essence of our organisation, now and for the future, and in whom we will hope to invest so much over the coming years.

It remains the most enormous privilege to sit at the head of this wonderful organisation, both The Priory of England and its charity St John Ambulance, as we move forward together to support people and communities, working across boundaries, with other charities and with our Government such that we can sustain our commitment as to improve lives and society. Thank you to each and every one, volunteer or employed, who make us what we are.

Pro Fide, Pro Utilitate Hominum.



**Surgeon Rear Admiral Lionel Jarvis**  
CBE KStJ DL MB BS FRCR









# Contrasting perspectives on a year at St John

## Building resilience

### Training the public

We believe that increasing the public's confidence in responding to health crises and first aid incidents, whether at home, at work or in the wider community, can make a significant difference to health outcomes. In 2018, we trained 269,000 people in the workplace, predominantly in physical first aid, with additional modules on health and safety and fire marshalling, contributing to the safety of the places in which people work. We rightly remain proud of the market-leading quality of our training and continue to explore ways to improve the learning outcomes for our delegates.

We know that there is more to do. For example, we commissioned research at the turn of the year which revealed that 40% of the public would be worried about intervening in a hypothetical first aid scenario and 40% also think they wouldn't be able to remember what first aid should be given and in which order. However, we were reassured to note that those who had received some form of first aid training or advice in the last 12 months would feel confident that they could provide the right health support (72% compared to 41% of the general population). We know the right training can make a positive difference.

We also began to expand into mental health first aid, working in partnership with Mental Health First Aid England. Although we trained a much smaller number (4,971) we have witnessed a significant shift in the demand for mental health first aid. It will play an increasingly important role in our delivery.

**"Your course just saved my Mum's life! Choking. Had to whack on her back four times and perform the Heimlich manoeuvre three times. She's fine. Thanks for the skills."**

Julie Carson

Twitter post 15 December 2018





## Taking action ourselves

In 2018 we also continued to play our role in increasing resilience through the presence of our own people within communities.

Community First Responders (CFRs) are trained volunteers who operate from their own home or workplace and are dispatched by the NHS ambulance service in response to 999 calls, at the same time as an ambulance attends to potentially life threatening medical emergencies. In London alone, our teams of CFRs were called out 5,762 times, including for over 1,700 category 1 emergencies. In 64% of cases they were the first on scene, providing time critical care. We also supported a community first response in the South West, the East of England and the West Midlands, where we piloted a new "unit responder" concept.

In September we celebrated the work of John and Sandra Newman, the volunteers who help run the London CFR programme at our annual Everyday Heroes awards.

**"The people we go to are always so grateful; you can see the relief in their faces when we knock at their front door. It's not just the patients but the reassurance to the worried relatives who are often really scared. The benefits of having CFRs in our communities are well worth all the effort."**

Sandra Newman,  
Support Volunteer of the Year 2018

We helped support a number of communities to install defibrillators, sometimes in response to stories of previous cardiac arrests. The defibrillators we installed in stores in partnership with Morrisons have, to date, saved 21 lives.

The resilience of our own delivery in communities is a testament to the many thousands of volunteers who support our front-line work from behind the scenes. St John offers people from all walks of life the opportunity to step forward to make a difference in the moments that matter. This diverse group includes volunteer leaders, like our dedicated district managers, youth leaders, logistics, event communications and training experts. They're all supported by the efforts of our network of Presidents, County Priory Groups and the St John Fellowship.

To them all, we say thank you for the gift of their time and expertise.

## **A year ago, keen punter Colin Howell was leaving Cheltenham racecourse when the unthinkable happened.**

Walking with his two grandsons, the 70-year-old pensioner suddenly suffered cardiac arrest and dropped like a stone. "My grandsons just thought I had tripped," he recalls.

But help was at hand. Within minutes, St John volunteer Tim Young and his colleagues were on the scene to provide lifesaving cardiopulmonary resuscitation (CPR) treatment. "We practice cardiac arrest so frequently that it's actually one of the easiest scenarios to deal with," Tim said.

### **Precious life**

In 2018, Colin returned to the racecourse, just metres away from where he collapsed, to unveil the venue's new defibrillator.

Colin said: "I can't thank them enough. They saved my life, and life is the most precious thing you have." He added: "If this defibrillator now saves one life, it will all have been worth it."

Volunteer Jason Richmond, who also provided care at the incident, was thrilled to see his former patient: "It is a wonderful feeling to save someone's life, especially when you get to meet them again, which is rare."

### **Full recovery**

The incident has ultimately had a positive impact all round. Following his cardiac arrest, Colin had two stents fitted at Yeovil District Hospital and now he volunteers at the very same cardiac department where he was treated.

Colin relishes his new role. "It's great to help people who are going through what I went through, and tell them: 'You can get better and carry on living a normal life,'" he said.







FIRST AID

St John  
Ambulance



# 'Massive thanks to St John Ambulance for their compassion on Sunday. With no one at the finish line, I cannot thank you enough for making sure I was ok'

Esther Liu, Twitter post 24 April 2018

## Supporting communities big and small

### In the background at moments of national pride

Through our history as a charity, we have often been present in the background of key moments of national significance. Every year our support for the iconic London Marathon represents our biggest single day deployment with 1,300 volunteers treating thousands of people (both runners and spectators).

In 2018, we were also proud of our role in two key moments of national celebration.

As a Sovereign Order, we were honoured in May to provide medical support to the crowds that gathered in for the wedding of the Duke and Duchess of Sussex. As more than 100,000 people descended on Windsor for the weekend, they were welcomed with a reassuringly familiar sight - our green and black uniforms dotted among the crowds.

Both within Windsor Castle itself and along the processional route, more than 100 St John Ambulance volunteers turned out for the baking hot day. We had treatment centres, cycle responders and numerous foot patrols ready to help.

When, for a few weeks, the England football team delighted the nation in making a run to the Semi-Finals of the FIFA World Cup, we were on hand at short notice to support 30,000 spectators enjoying the match, if not

the result, in Hyde Park. In 72 hours, our volunteers came forward and we were able to provide 40 first aiders and advanced first aiders, a dozen health care professionals and medical response team members.





## Supporting local communities every week

Our real impact lies in the thousands of public events for which we provide medical cover every month and the services we provide within vulnerable communities. In 2018 we treated 104,000 people at over 21,589 events, from village fetes to Premiership football, from motocross and horse racing to music festivals. Three-quarters of our work was delivered at a community level. This meant people could continue to enjoy their days out, but also meant we were on hand to deal with immediate emergencies.

Over a third of the events we covered were sport-related and, during the football season, we provided medical support at an average 186 matches a month.

In Newcastle and other major cities, our alcohol reception centres

continued to provide an important service to the night time economy. By giving both medical attention and a safe space to recover from excess consumption, we helped make the city centre environment safer, often working in close partnership with local statutory and charity services. The Newcastle Alcohol Reception Centre runs throughout the year on Friday and Saturday nights. The treatment centre is fully equipped to deal with serious incidents such as cardiac or respiratory arrest, and can also treat and discharge less serious injuries on scene.

**“We are passionate about our work in the local community, allowing people to have fun in the city while also ensuring they are close to help if they need it.”**

Colin Jameson, District Manager

On the south coast our Homeless services, supported by The Big Lottery Fund, Francis and Eric Ford Charity Trust, NHS Hastings and Rother CCG Reducing Health Inequalities Fund and St Oswald’s Church, Hooe had over 1,200 client contacts in Hastings, reaching a community for whom access to healthcare is more challenging with podiatry, general health support and training.

**“They came on a call out to my Mum last week and were just fantastic. It’s such a comfort to have such wonderful people on hand in an emergency when things can be very distressing. I just wanted to say how awesome they both were being understanding, empathetic, kind, highly skilled and first class at their jobs.”**

Patient feedback



# 'In the heat, the boy fainted and banged his head. Big thanks to St John Ambulance for making everything better'

Peter Tonkin, Twitter post 7th May 2018

## Meeting changing needs in changing conditions

### Tackling the Beast from the East

When the snow, wind and ice of the "Beast from the East" and then Storm Emma struck in late February 2018, St John people were out in force to ensure local communities were kept safe from the freezing conditions, visiting patients and providing first aid in Rest Centres.

Activating our emergency response procedures, we deployed 4x4 and

ambulance support to several NHS Ambulance Trusts as well as transporting NHS staff into hospitals in treacherous conditions. It was a coordinated effort involving not just our front line clinical volunteers, but also those clearing garage locations, managing our logistics and transporting our people to routine events and training.

A prime example of this was on 1 March 2018 when volunteers in 4x4 vehicles assisted with the critical incident declared on the A31 in the New Forest. We were able to help the emergency services look after 1,000 motorists stranded due to weather and gridlocked road.

### Keeping cool in the heat

When the summer arrived the nation wilted in the heat, leaving our volunteers to pick up the pieces.

At the All England Tennis Championships, Wimbledon, the media provided a rolling daily commentary on not just the tennis and the air temperatures, but the number of spectators we treated for heat-related conditions

The heat continued through the Pride season, testing the resilience of our own people as they celebrated alongside those who needed our care.





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## Effective but compassionate care

### Saving lives

Many of the people we treat have relatively minor injuries, albeit ones that can disrupt their enjoyment of the event they are attending – a bee sting at a festival or blisters at a half marathon.

But when faced with more serious incidents, we save lives.

During our busiest events season (June-October) our people treated 22 cardiac arrest patients, achieving return of spontaneous circulation (ROSC) in an extraordinary 64% of cases.

**When a football fan went into cardiac arrest at Brighton's Amex stadium on Saturday 31 March, two St John Ambulance first aiders were on the scene immediately – while their colleagues alerted the stadium's full medical team.**

Within minutes, four more St John Ambulance volunteers (including an event nurse), paramedics, a match doctor and A&E consultant Dr Rob Galloway, had all joined the fight to keep the man alive. After ten minutes of CPR and

three defibrillator shocks, the patient began to breathe and was rushed to hospital by a SECamb Ambulance.

It was a deeply traumatic event but with a happy ending. "He's completely fine," according to Dr Galloway, who was at the scene. "He has no brain damage and his heart is, in fact, doing well and he'll have a normal quality of life."

The doctor had no doubt why the patient was recovering so remarkably. "The St John volunteers were the key people here as they started the CPR, with others including the match doctor and paramedics from SECamb then joining the fight to keep the man alive."

As it turns out, if you are destined to have a medical emergency, there are plenty worse places than the Amex Stadium for it to happen. There have now been five cardiac arrests at the stadium in as many years, and in each case the patient has made a full recovery.

As Dr Galloway explains, this is an extraordinary achievement: "Only one person in 20 normally survives cardiac arrest, so the chances of all five surviving is just



# **'The St John volunteers were the key people here as they started the CPR'**

Dr Rob Galloway, A&E consultant

one in 3.2 million. The fact we've now had five survivors who have recovered with a great quality of life is remarkable. It is thanks to the whole set up we have, especially with the St John Ambulance cover, and shows that with community CPR and Automated External Defibrillators, you can get this survival rate up much, much higher."

We were delighted to celebrate the positive impact of the full medical team at the Amex stadium as part of our Everyday Heroes awards in September 2018.



### **Compassion when the outcomes are less positive**

Working in health and particularly in emergency out-of-hospital care means that sadly the outcomes of our interventions are not always positive. We take pride that our people step forward and attempt to save a life even when they are ultimately unsuccessful in doing so. Our work is marked by the compassion our people show towards both patients and their families.

In the North East, our ambulance service provided end of life transport to support people on their final journey to home or hospice, giving families valuable time with their loved ones in comfortable surroundings.

**"I wanted to write to thank the entire CATS team for all your help. They showed care, kindness, compassion and control throughout our move. In spite of the great efforts of everyone**

**who helped us, my gorgeous nephew lost his struggle the following morning. When things turn out this way, yours must be a very difficult job, but we're so glad you were there. We cannot thank you enough for all you did."**

Elizabeth Yell, aunt of the patient

**"I am writing to say a huge thank you to the two gentlemen who brought my mum home from Macclesfield hospital. She was returning home on end of life care and sadly died the next day. Without your wonderful ambulance service, she wouldn't have made it home. The men who brought her home were amazing and got her comfortably into bed, after a tricky manoeuvre around the narrow hall way. It means so much to us to have had her at home, so thank you!"**

Nicola Ellis-Costa, daughter of the patient

In 2018, we supported the work of the NHS Blood and Transplant service by honouring the gift of life given by organ donors and their families. We gave 765 Order of St John Organ Donation Awards in 2018, organised by our County Priory Groups .





## Developing our young people

### Supporting young people at the start of their service

Our 2,600 Badgers (7-11s) are our youngest members. They, and over 8,400 cadets (11-17s), met regularly with their youth leaders during 2018, developing and honing their first aid skills and growing their confidence and self-esteem.

With 59% of our cadets expressing an interest in pursuing a health career, we were delighted that, in our peak month, we had well over 1,000 of them out on active duty at public events, gaining first-hand experience of caring for others. We're grateful for the support received via the Uniformed Youth Fund to help grow our young people's work, aiming to recruit another 150 youth leaders and

create 1,500 new places for young people in the first half of 2019.

We now have student volunteering units in over 40 universities and, in many cases, they are reaching out to provide first aid support beyond their immediate academic confines to the wider communities around them.

But our work with young people stretches beyond our walls. In 2018, we trained 113,000 children and young people in schools and worked with partners such as the Guides and Army Cadets, as well as the Youth United Foundation and the Duke of Edinburgh's Award, to extend the reach of our training as far as possible.

### Matthew Bousfield from Merseyside was St John Ambulance's National Cadet of the Year for 2018.

The 17-year-old couldn't believe he'd won the award when he was announced as the winner: "I never dreamed I could win; I just went in and did my best. I am so thrilled to get the award and delighted to be bringing it back to the North! I am especially proud because I have ADHD and Asperger's, and this proves that despite what some people might see as disabilities, anyone can do anything if they set their mind to it."



**On being announced as our Volunteer of the Year for 2018, Matt Atkinson wrote an impassioned celebration of St John's young people and their role in society:**

"Amongst the constant stream of media attention on knife crime and violence, you wouldn't be blamed for overlooking an extraordinary group of young people who are working hard to build social relationships, skills, community resilience and, most importantly, are passionate about sharing all of this with their peers, friends, family and anyone around them who'll listen. These young people come together each week from a diverse range of backgrounds and are working, as best they can, to try and help combat the sea of knife crime around them. We shouldn't be

ignoring them - we should be championing them. Each week, I work with groups of our young people across some of the poorest boroughs in the country - that includes Newham, Hackney and Tower Hamlets - and, each week, I'm enamoured at how incredible and versatile they all are. From the age of seven, some of the children and teenagers I work with have been learning life saving first aid skills. Everything from treating a small cut or dealing with an unresponsive patient to dealing with the harsh reality of a knife wound or even giving CPR in the event of a cardiac arrest. Amazingly, despite everything else they have to contend with - school, crime, the simple but yet complex process of growing up - my Cadets are not content with just learning first aid in case they need it. They volunteer in

their communities, keeping the public safe at local events and some even share their skills with other youth groups, schools and organisations. How awesome is that? I feel nothing but admiration and respect for their constant motivation to share skills and positivity, learn about each other and ultimately become pillars of their community."





## Celebrating decades of service

We are equally proud of the contributions made by our youngest members and those of our longest serving members. But we are fortunate that the huge contribution volunteers make can be recognised through admission to the Sovereign Order of St John.

In 2018, 125 people were admitted to the Order or promoted within it and 277 were honoured for their long service.

**Super volunteer Judith Morris was deservedly awarded the British Empire Medal for six decades of exemplary service.**

Lots of notable things happened in 1959. Postcodes were first introduced across the UK, the hovercraft was launched, and six-year-old Judith Morris joined St John Ambulance as a cadet.

When she first joined more than half a century ago, Judith couldn't possibly have known that she'd still be going strong all these years on.

After serving as a cadet for years, Judith worked her way up to become a Unit Manager. She is currently responsible for training the next generation of life-savers.

## Knowledge and confidence

After receiving the honour, the 66-year-old told her local newspaper: "It's an honour not just for me but for our whole team of people, and the young cadets we have got at Halesowen.

"Throughout my years, I have dealt with a few road accidents – and when somebody is unwell, I am always ready to help. It is just about having the knowledge and confidence to help somebody."



# THE ORDER OF ST JOHN

## 1099 – 1914



## Commemorating the past as we look to the future

At St John we have a proud history of healing and caring for the sick and wounded. Commemorating these core values sits at the heart of our modern-day work in communities.

In 2018, we remembered the sacrifices made by members of the Order of St John during World War One, in particular the centenary of the bombing of the hospital at Étaples which we commemorated at a special service in the Priory Church in May. The service provided an opportunity for us to show our respect and remember the sacrifice these volunteers made in service of humanity. It was attended by

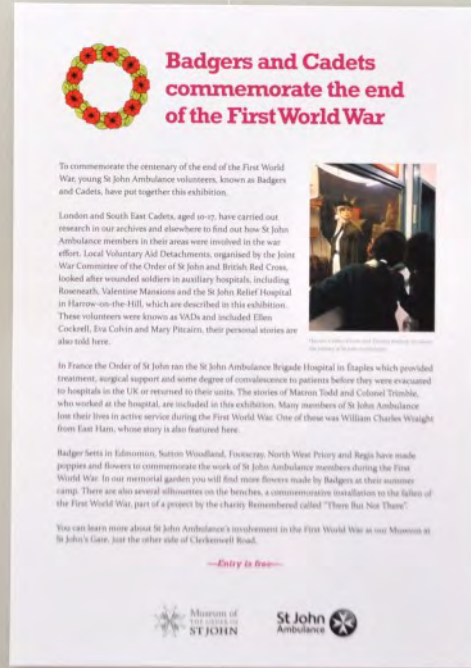
HRH The Grand Prior, The Lord Prior and The Lord Lieutenant, together with representatives from French and German Embassies and the Armed Forces.

Remembrance weekend itself is one of the busiest of the St John year with volunteers in 2018 again providing first aid cover to countless acts of remembrance. Twelve of our volunteers also proudly took part in the parade at the National Service of Remembrance at the Cenotaph in Whitehall.

The names of all St John volunteers who died during the First World War are recorded in a roll of honour on display in the St John Ambulance Gallery at the Museum of the Order of St John in Clerkenwell, London. In 2018, our London & South Cadets prepared a special exhibition to tell the story of St John people from their local area who participated in the First World War.

**The St John Ambulance Brigade Hospital at Étaples in Northern France**, was arguably the most significant initiative of the British Order of St John during the 20th century. Over the course of the conflict, the Hospital received 35,000 patients. It was staffed and maintained principally at the Order's expense, a unique and unprecedented achievement by a voluntary organisation. In May 1918, a bomb killed sixteen and caused enough damage to ensure the hospital never opened for patients again. It was the largest single loss of life within the St John family in the First World War.





More broadly, throughout the year, we welcomed 32,866 members of the public to the Museum of the Order. 45% of them engaged with the activities we provided such as tours and talks, deepening understanding of the Order of St John and its role through the ages.

### Stepping forward together

The family of St John comes together every year on St John's Day to celebrate the contribution our people make to communities across the country. In June 2018, we remembered the 1,077 St John men and women who lost their lives serving during the Great War.

We also looked to the future, setting out our direction as a charity. Following extensive engagement with our people, we refreshed our vision:

*Communities that preserve and protect life through volunteering for health and first aid*

Putting our people including our volunteers at the heart of how we will deliver against that vision helped us reconnect with our core principles as a charity:

- Serving humanity without judgement
- Taking time to care
- Being skilled to meet health needs
- Discovering new and better ways to preserve and protect life.

# Progressing our plans from 2017

At the start of 2018 we said we would put the following areas at the heart of our work. We have made changes, which prepare the way for our new strategy and which will enable us to deliver that more effectively. There is still much to be done, but we have the basics in place for the future.

## Supporting Communities

At St John, our work has always been driven by responding to the health needs of the communities we serve, adapting as society changes. That means providing our people with the right skills and support.

### What we said

We committed to continue our key work of training and supporting our volunteers to help in moments of need in their communities.

We wanted to explore new ways of working in communities and to roll out our Community Advocates pilot programme, training 740 advocates and engaging over 13,000 people in first aid workshops.

### Where we are now

We made good progress, providing over 19,000 face to face training opportunities for our people and we began to explore how we can better match training and support to where our people are, ensuring they have the skills they need for the communities they serve.

As we have rolled out the Community Advocates pilot, we have been able to learn from the challenges it presented. With the positive support of our funding partner Nesta we have adapted the programme to better meet the needs we are facing and delivery has begun to accelerate into 2019.





## Engaging young people

We have been supporting young people to develop their skills in first aid and health which has enabled them to make a positive contribution in their communities for almost 100 years. Young people are at the heart of our future plans and we have an ambitious vision for the future in St John.

### What we said

We committed that a major focus of our work would be a review of our Cadet programme, making sure that young people get the best possible experience of volunteering with St John.

We also planned to expand our first aid resources for young people, focusing on digital content.

### Where we are now

Our research shows that many of our cadets wish to explore careers in healthcare. This has led us to support over 1,000 of our young people to experience and participate in our front-line delivery at events. We also received the support of the government through the Youth United Foundation to accelerate the growth of our young people programmes. We will build on that in 2019, by continuously improving our work in this area.

We made some progress in this area and will now take this further as we adapt to meet the opportunity of the government's announcement on first aid on the curriculum.

# Training people in first aid nationwide

The Order of St John founded the St John Ambulance Association in 1877 with the explicit intent of training industrial workers to be able to provide on-the-spot treatment in emergencies. Giving people the skills and confidence to respond to health incidents continues to motivate a large proportion of our work.

## What we said

We committed to retaining the training of people in first aid at the heart of our work, with plans to improve in particular our online first aid education resources.

We also set out plans to develop our mental health first aid offering in partnership with Mental Health First Aid England.

We committed to expand the successful Save a Life CPR Campaign from Lincolnshire into other counties.

## Where we are now

In 2018 training the public remained a central tenet of our charitable work, with 269,000 delegates in the workplace alone. As part of our new strategy, we will be reviewing our overall approach to community outreach and engagement during 2019 and exploring wider partnerships within the charity sector to create impactful campaigns.

We began an exciting programme of Mental Health First Aid training in the workplace. This has grown rapidly. Moreover, in December 2018, we hosted a successful mental health at work conference which has proven that we are well placed to make a difference in this area over the next three years.

While our expansion of "Save a Life" did not progress as we intended, we did invest in making significant changes to our contribution to the annual Restart a Heart campaign in the autumn. Over 1,300 of our people were involved in providing demonstrations to over 6,000 members of the public.



# Reviewing and relaunching our vision and mission as a charity

## What we said

We committed to review our vision in keeping with our values and heritage.

## Where we are now

We engaged extensively with our people to understand what they value about St John and set a vision for the future that meets their and our aspirations. We defined our new vision as:

*Communities that preserve and protect life through volunteering for health and first aid*

This new vision will allow us to launch our 3-year strategy for 2019-22 in June 2019.

We need to engage St John People in the strategy, as well as the general public. Research shows that St John Ambulance is well-known, but not known well. To support our new strategy, we will be delivering a new communications approach that will begin to tell our story to the general public in a more compelling way.

## Creating a sustainable fleet plan.

Having developed our overall strategic priorities, we now have a better understanding of our fleet and its needs, and are well placed to implement a sustainable approach. In 2018, we continued to benefit from the generosity of the Mark Master Masons which saw 21 new vehicles, both ambulances and treatment centres, roll into active service.

## Continuing to improve our data processes and security to ensure compliance with the General Data Protection Regulation.

Although an area that should invite no complacency, we made good progress in advance of the GDPR coming into effect. We have continued to develop our systems and processes in the face of an ever-increasing cyber-crime threat and as we look to invest in growing our fundraising. This will continue in 2019.

## Roll out new volunteer recruitment process to take newcomers from interview to working with us within two months in most cases.

Our delivery of impact as a charity relies on the work of our volunteers. In 2018 we delivered some aspects of an improved process for recruiting new volunteers, training over 2,000 as operational first aiders. However, major challenges remained in our approach, in particular in ensuring a smooth transition from training to being actively involved in delivery. Volunteer recruitment and ongoing support is a major performance improvement priority for 2019.

# Looking forward

In 2019, we will launch our new 2019-22 strategy designed to help us support more communities to preserve and protect life through volunteering for health and first aid. The publication of the NHS Long-Term Plan helps to define the spaces in which our work in communities will most be needed and we will develop closer working relationships within the health sector to support our delivery.

As part of that, we have already identified that we will undertake work to develop and grow:

- Our work in **ambulance service delivery**, including as an auxiliary to the National Health Service.
- Our work with **young people**, supporting them to develop vocational skills that lead to health careers and to develop the confidence to make positive interventions in health crises in their communities.
- Our delivery of **mental health first aid training**, in partnership with Mental Health First Aid England.
- Our development of **community response services**, piloting how we can have the biggest impact.

## Improving our performance

- We will improve the **experience for new volunteers joining the charity**, smoothing out the process from application to active engagement in delivery.
- We will also improve the **experience for volunteers once they've joined**, better aligning training and support to their needs and motivations.
- We will launch a **five-year fleet plan** to reduce the overall age of our vehicles and ensure they are fit for purpose for our current and emerging needs.

## The right foundations

- We will develop new communications, fundraising and technology strategies to underpin our delivery and help connect the public more directly to the impact we are making in their communities.
- We will create a masterplan to safeguard and enhance our treasured heritage assets, making the most of our rich past as we move forward into the future.







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# Statement of public benefit

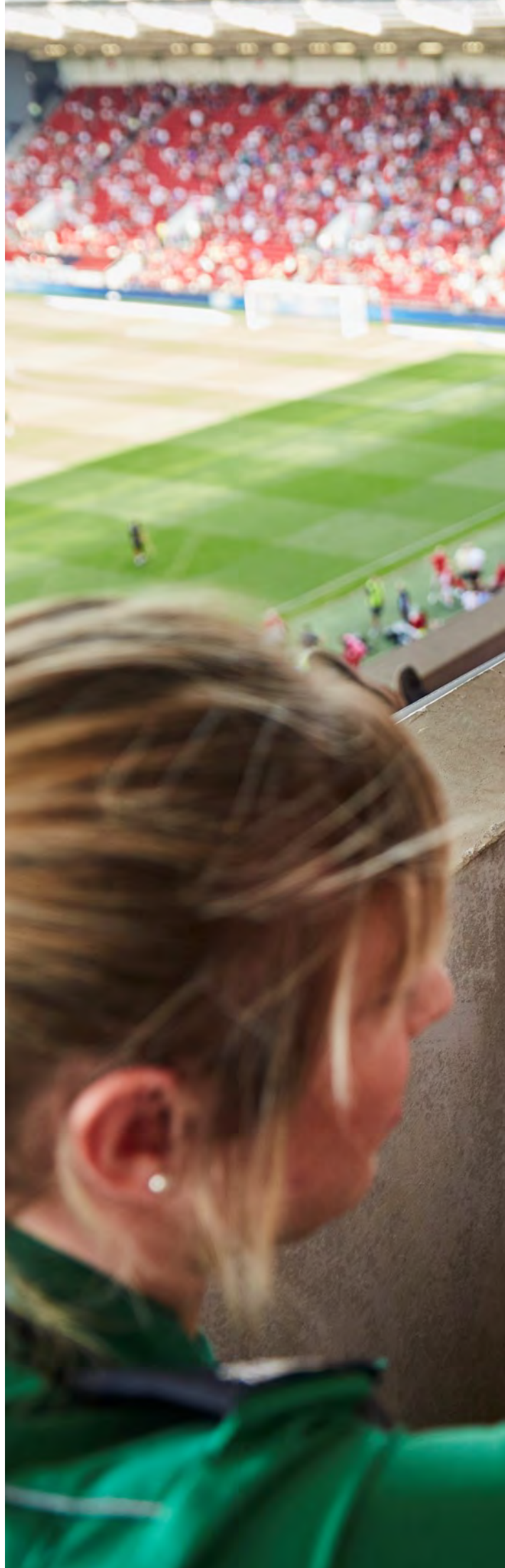
St John Ambulance ('the charitable company') is a registered charity and a company limited by guarantee. It conducts most of the activities of its parent undertaking, The Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem. St John Ambulance and its wholly-owned subsidiary, Support St John Limited, are together referred to as 'St John'.

St John Ambulance's principal activities result in considerable benefit to the public on many levels.

From the direct beneficiaries who receive the care and support of our people in their moments of need to the personal and social development opportunities afforded to those volunteers themselves. In wider society, our activities help support the development of greater community resilience.

The directors have considered the relevant guidance and are satisfied that all the organisation's charitable activities fall within its objects and result in considerable benefit to the public. This is outlined in the section of this report dealing with achievements and performance.

The directors have regard to the Charity Commission's requirements and the positive impact we have on beneficiaries, volunteers and communities when reviewing the charity's aims and objectives, and in planning future activities.







# Financial review

In preparing this report, the directors have complied with the Companies Act 2006 and the Statement of Recommended Practice - Accounting and Reporting by Charities, which incorporates the requirements of the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') ('the Charities SORP ('FRS 102'))).

## **Basis of accounting**

The financial statements of St John Ambulance, prepared using the Charities SORP (FRS 102), are attached to this report.

Annually, the directors review the key accounting policies to ensure that they continue to be in accordance with the requirements of the Charities SORP (FRS 102) and with best accounting practice. The accounting policies applied by St John Ambulance are detailed within note 1.

No significant changes have been made to these policies from those used in the year ended 31 December 2017.





# Review of the year

**We expanded our work relating to mental health first aid, campaigned on first aid issues, reached out to donors and provided first aid training to thousands of people. Our volunteers, County Priory Groups and Presidents, embedded in their communities nationwide, played an important role in these activities, and will continue to do so.**

**We continued to streamline our costs and invest for the future, while extending our current activities as financial pressures in the NHS again affected us during 2018.**

## Overall summary

The Consolidated Statement of Financial Activities ('SOFA') on page 56 shows the income and expenditure for the year. The annual 'operational' deficit (after excluding the impact of the gain on disposal of £1.3m and the loss on investments of £3.2m) was £5.6m compared to an equivalent deficit of £1.9m in 2017.

As well as our core charitable activities, the financial results reflect a decision to utilise some of our reserves to invest in our people and in our technological infrastructure as we begin to lay the foundations for our new strategy. This expenditure has been committed with the intention of enabling St John Ambulance to train or assist as many people as possible in the future.

During 2018, our activities resulted in an overall net deficit of £7.5m (2017: net surplus of £5.0m) following lower gains arising from the disposal of fixed assets of £1.3m (2017: £4.2m) and losses on investments of £3.2m (2017: gains of £2.7m).

Overall income is largely unchanged year on year. However, within this are certain highlights. Training income increased, reflecting higher numbers of people attending our first aid training courses, including courses on mental health first aid. Additional mental health first aid courses were introduced during 2018 and the numbers of people trained have been higher than originally predicted.

Continued strong demand for defibrillators from our SJA Supplies division contributed to growth in sales of first aid products during the year. Lower levels of ambulance and transport services activity did lead to a reduction of income in this area however.

Expenditure on charitable activities increased by £3.1m from £90.1m in 2017 to £93.2m (90% of total expenditure). There was a reduction in expenditure within our ambulance and transport services activity, offset by increases in expenditure on training, with more people trained, and on first aid provision and youth development as more resources are invested in these important areas of our work.

At 31 December 2018, the charity's total funds were £123.2m (2017: £130.7m), with unrestricted funds of £119.2m (2017: £126.3m). These funds are represented by fixed assets, our headquarters building, current assets and our other investments.

A transfer of £1.7m was made during the year between restricted and unrestricted funds. This primarily related to the purchase of new vehicles financed by the grant received from the Mark Master Masons. As the vehicles are delivered and the funding is utilised, the value of the restricted fund reduces, as shown in note 25.

Our operational free reserves, which are shown in further detail on pages 38 and 39, are £13.6m (2017: £19.5m).

Financial performance across each of our main areas of activity is described in the sections that follow.



## First aid provision and youth development

First aid provision within the community and at public events is at the heart of our activities. Expenditure in this area is considerably greater than income due to the large number of community events where first aid services are provided either free, or for a nominal charge which does not recover the full cost.

Expenditure in 2018 including allocated indirect costs was £15.9m, an increase of £2.8m (21%) compared to 2017. Income of £7.1m was at a similar level to that generated in 2017. Our charitable contribution from first aid provision and youth development increased by £2.8m to £8.8m in 2018.

## Ambulance and transport services

Providing support to the NHS remains one of our key activities and we perform work for ambulance service and community services provider trusts across England.

Income from the provision of ambulance services to the NHS declined further, by 14% in 2018 as we reduced activity in this area in order to manage fluctuating demand levels. Income decreased by £2.1m to £12.5m in 2018, from £14.6m the previous year.

By careful management, we were able to reduce our costs for servicing ambulance and transport services activity during the year, using fewer employees and vehicles. The total cost attributable to this activity, after including the allocation of indirect costs, reduced by £2.6m (10%) to £24.2m (2017: £26.8m).

Consequently, the cost of providing these services fell slightly, despite the reduction in income, by £0.5m to £11.7m in 2018 (2017: £12.2m).

We reviewed our operating model and strategy for the provision of ambulance and transport services during 2018, and will continue to do so, with the aim of ensuring we can continue to provide a quality service in the most efficient and cost-effective way.

## Community support programmes

Our community support programmes include the provision of services to the homeless in Sussex, as well as to the elderly at the St John Care Home in Kent and day care centres. We also provide training in first aid and informal advice to unpaid carers.

Income from these activities remained constant during 2018 at £1.5m, with a small increase of £0.1m in related expenditure. Our charitable contribution to providing these services in 2018 increased to £2.5m (2017: £2.4m).

## Training

The net surplus from the provision of first aid training was £9.8m, a reduction of £1.3m compared to the previous year. While income increased by £0.3m to £44.1m (2017: £43.8m) following the launch of our courses in mental health first aid, related expenditure was £34.3m, an increase of £1.6m compared to 2017.

The cost of first aid training includes the cost of courses provided to the community for no charge. Any surpluses generated by first aid training activity are used to fund other charitable activities.

## First aid products

First aid products are procured and distributed by St John Ambulance Supplies, which sells first aid products to third parties, with resulting surpluses used to support the activities of St John Ambulance. In 2018, its external income rose by £0.8m (7%) to £13.0m (2017: £12.2m), with a continued strong demand for defibrillators which are used both in workplaces and the community.

St John Ambulance Supplies is an internal department, which also coordinates purchasing for the whole of the charity. Costs incurred, relating to both internal and external activities and including allocated indirect costs, totalled £12.6m (2017: £11.5m).

# Fundraising

**Fundraising is a major focus in 2019, through the deployment of our new strategy. Supported by a new communications approach, we will increase the funds we raise through becoming a better known charity in the eyes of the public. These will enable us to provide better support for our charitable activities and the services that we provide.**

## Fundraising practices

Making sure we follow best practice for fundraising and being completely transparent about how we raise money is very important to St John Ambulance.

## How we raise money

- We gain new supporters through door to door fundraising activity and engage with them over time to develop relationships
- We also gain new supporters through door-drops, inserts and people donating online through our website
- We raise money from trusts, foundations, companies and major donors
- We raise money from people who fundraise for us through events, treks and challenges (such as the London Marathon)
- We raise money through local community fundraising teams who build networks with our employees and volunteers around the country

- We promote leaving gifts in wills to current and new supporters.

## Working with fundraising agencies

Regular donations mean we can plan effectively for the future.

We use a professional fundraising agency, like many other charities, to help us raise the most funds we can. For over 20 years, we have been fundraising door-to-door with Wesser Ltd, a well-established family run business that has raised over £62 million from our loyal door-to-door supporters across the country. Wesser Ltd are subject to regular audits to ensure the highest level of service is provided.

All fundraisers are required to read a solicitation statement to all new supporters on the door explaining the arrangement that we have with Wesser Ltd. Supporters are also given a document entitled 'Your Direct Debit', which gives more information as to how donating helps us over the long term followed with guidelines on how we utilise their data preferences.

We also work with three payroll giving agencies, including Sharing the Caring, Hands On Payroll Giving and Payroll Giving in Action, to promote tax effective giving from people in the workplace.

## Becoming better known

Our research shows that St John Ambulance is a familiar face to many but, while we are well-known, people don't know us well. To support our fundraising efforts, we will be delivering a new communications approach that will begin to tell our story to the general public in a more compelling way.



## Our fundraising policies

St John Ambulance is a member of the Fundraising Regulator and we ensure that across all our in-house activity and our external partners we abide by the Code of Fundraising Practice and code of conduct for face to face fundraising. We had no reported breaches or failings of these standards in 2018.

We recognise that to maintain the income we require, we need to maintain public trust. This means having processes in place to continually monitor the work we deliver across all our fundraising and listening to feedback from current, potential and lapsed supporters.

We aspire for our systems and procedures to meet best practice and work closely with our internal audit, assurance and other specialist colleagues to monitor our performance. We maintain a robust process for choosing external partner agencies and for checking the contracts we have in place, which display the expectations of both parties clearly.

We also continue to ensure that our policies and procedures around data and processing meet our legal requirements, our high expectations and those of our supporters, with agreements in place with agencies we work with. We conduct regular internal audits of all teams who work with and process supporter data.

## Complaints

Sometimes we receive complaints from the general public about our activity. In 2018, St John Ambulance received a total of 57 complaints about our fundraising activities. We have a process for responding promptly to all complaints, and where appropriate carrying out an investigation. Around half of the complaints resulted in training or retraining of the individual fundraiser.

We have a clear fundraising complaints procedure, which can be found at:

<https://www.sja.org.uk/sja/support-us/our-fundraising-promise/complaints-procedure.aspx>

This is aligned with the Fundraising Regulator's requirements and we monitor and respond to complaints in accordance with it. We also have robust complaints processes in place for all our external agency partners to ensure we are fully compliant and that the agencies meet the standards laid down by the Fundraising Regulator.

The trust and confidence of the general public is paramount to St John Ambulance and we ensure high standards by having a clear set of policies in place. These include policies for protecting vulnerable people, safeguarding and a fundraising promise, which can be found at:

<http://www.sja.org.uk/sja/support-us/our-fundraising-promise.aspx>

We ensure all fundraisers and fundraising employees read and understand these documents. External fundraisers also take part in a training programme, with regular update sessions.

## Income from donations and legacies

Although income is generated from the provision of some of its services, St John Ambulance also receives income from donations and legacies made by our supporters. This income, which is greatly appreciated, is used to support our charitable mission.

The total value of income from donations and legacies remained steady at £15.8m in 2018. Donations received increased by £0.4m to £11.8m, and total legacy income rose by £0.7m, from £1.8m to £2.5m in 2018.

Unrestricted income from donations and legacies rose compared to the previous year, from £12.8m to £13.6m. Restricted income reduced by £0.8m to £2.2m, as we came to the end of a grant programme provided by The Grand Lodge of Mark Master Masons to fund new ambulances, mobile treatment centres and support vehicles nationwide. Monies received from this grant by St John Ambulance total £2.7m overall, with £0.7m received during 2018 and £2.0m in the previous year. All of the vehicles funded by this grant will have been delivered by the end of the first half of 2019.

## Fundraising costs

Direct fundraising costs reduced by 9% to £5.0m (2017:£5.5m). The overall fundraising costs incurred by St John, which enable the generation of our income from donations and legacies, reduced by £0.4m to £6.4m (2017: £6.8m), of which £1.4m are indirect, as set out in note 7.

# Cash flow

We generate additional income from our cash holdings, while maintaining enough funds to meet our operational requirements, by holding funds on longer term deposits which mature on a regular rolling basis. These deposits reduced by £2.0m during the year to £13.0m. These funds are treated as current asset investments.

Total cash balances, including monies placed on deposit, reduced in 2018 by £3.4m (2017: increase of £6.1m) to £20.0m (2017: £23.4m).

The cash outflow in respect of purchased fixed asset additions in 2018 was £3.4m (2017: £2.2m). The increase in additions of £1.2m is attributable to the purchase of vehicles funded by The Grand Lodge of Mark Master Masons. A further £1.5m outflow (2017: £1.5m) is due to the capital element of finance lease payments, which relate to ambulances purchased on finance leases in previous years. No vehicles were purchased in this manner during either 2017 or 2018.

We disposed of 18 properties surplus to our needs during the year. This generated £2.2m (2017: £6.9m) of proceeds from the sale of tangible

fixed assets. Our policy is that 90% of the resulting gain on disposal of £1.3m (2017: £4.2m) will be reinvested to further improve the quality of our operational properties, both by refurbishment and the purchase of new properties. Amounts allocated for such reinvestment in the past, but not yet spent, amounting to £2.4m, are included within our designated funds as shown in note 25.



# Investments

The St John Ambulance Board annually reaffirm the policy regarding investments. Cash balances over and above those necessary for operational purposes, including capital expenditure, are available for investment in quoted securities, which can easily be liquidated if required.

The purpose of investment is to generate a return so that the value, in real terms, of these reserves is at least maintained.

The investment manager that is engaged to act as custodian of St John Ambulance's investments is periodically reviewed. Such a review is taking place during 2019.

## Quoted securities

The movement in the UK Retail Prices Index is the basic comparator against which long-term investment performance is judged, the objective being for a total return of Retail Prices Index ('RPI') +3%.

The relative amounts invested in UK and in overseas securities are subject to regular review. At the year end, approximately 60% of securities were invested in the UK market, with 40% in a range of overseas markets.

UK investments are held in the BlackRock Charishare Common Investment Fund, a unit-based fund designed as a vehicle for investment by charities. Overseas securities are held in the form of units in a number of separate geographically focused BlackRock funds.

Across 2018 the total return from our securities investments, including dividends received, was negative (-6.9%; 2017: +14.2%). This was below the target figure of RPI +3% for the year. The increase in the RPI during 2018 was 2.7%, with a consequent target for total return from investments of 5.7%.

The total return from the investment portfolio was better than the movement in the FTSE All-Share Total Return Index (which relates to UK securities only), which fell by 9.5% during 2018.

In the first three months of 2019 the investment portfolio valuation had recovered, with a gain on investments for the quarter to 31 March 2019 of £1.5m (9.1%).

## Investment property

St John Ambulance has one investment property, which is located adjacent to St John's Gate, Clerkenwell, the historic home of the Order. This important property also houses the National Headquarters of St John Ambulance.

For accounting purposes, the property comprises two parts:

- That part of the building used by St John Ambulance for operational purposes is classified as an operational property and is included in the balance sheet at historic cost less accumulated depreciation
- Those parts of the building let to third parties are classified as an investment property and are included in the balance sheet at fair value. This element of the property is included in the balance sheet at its 31 December 2018 valuation of £16.6m. This figure has reduced by £1.6m compared to its 31 December 2017 valuation of £18.2m due to current levels of uncertainty within the property markets.

# Funds and reserves policies

The directors have adopted a policy for St John Ambulance reserves which is in line with the recommendations of the Charity Commission for England and Wales.

The directors review this policy annually. In carrying out their assessment, the directors have regard to strategic plans and financial budgets, as well as major operational, financial and external risks. These plans are aimed at achieving financial stability over the medium and long term. St John Ambulance's planning process, including financial projections, takes into consideration the underlying economic climate and its potential impact on sources of income and planned expenditure.

## Free reserves

A level of free reserves is required to ensure that the activities of St John Ambulance can continue in the event of a major unforeseen reduction of income or increase in expenditure. These reserves provide a contingency which enable St John Ambulance, if necessary, to make the required structural changes to bring income and expenditure into line. The reserves are supported by cash and quoted securities, which can be accessed readily when required.

St John has two measures for free reserves which differ in the treatment of investment property:

Unrestricted funds after excluding the value of fixed assets, investment property and any other amounts that have been designated for a particular purpose, are classed as 'operational free reserves'. The value of the investment property is excluded because it is held as a long term asset as part of the headquarters building but the value of securities investments is included in operational free reserves because they can be sold at short notice if required. Operational free reserves, excluding investment property, are £13.6m and represent the level of free reserves available to support the ongoing activities of St John.

The overall level of free reserves, following Charity Commission guidelines and including investment property within the free reserves figure, is £30.2m.

Taking into account these factors, the trustees have determined that operational free reserves should be in the range £12m to £20m, and this is reflected in St John's financial strategy. This represents between 1.4 and 2.4 months of expenditure on our core costs.

The corresponding range for the overall free reserves figure, including the value of investment property, is £28m to £36m.

At 31 December 2018, unrestricted funds held by St John Ambulance totalled £119.2m (2017: £126.3m). These are represented by:

- Designated funds of £89.0m (2017: £88.6m) consisting of:
  - £73.5m (2017: £74.9m) relating to the net book value of heritage assets and tangible fixed assets
  - £15.5m (2017: £13.7m) designated for other particular purposes as follows:
    - Funds required for the replacement and maintenance of St John Ambulance's fixed assets (including ambulances and other medical vehicles) at a level whereby the charity can provide services in a professional and exemplary manner
    - Funds earmarked to develop business processes and systems, including information technology, to ensure up to date procedures, economies of scale and consistent delivery of St John Ambulance's objectives



- Funds intended for investment in fundraising activity, to develop diversified, additional future income streams to aid in the delivery of the charity's objectives.
- £16.6m (2017: £18.2m) reflecting the fair value of investment property
- Operational free reserves of £13.6m (2017: £19.5m).

St John has therefore met its targets for free reserves. Further detail is given in note 25.

The directors consider there is a reasonable expectation that St John Ambulance has adequate resources to operate for the foreseeable future. The directors do not consider there to be any material uncertainties that will change this expectation and accordingly the accounts have been prepared on a going concern basis.

# Directors' responsibilities statement

The directors (who are also the directors of St John Ambulance for the purposes of company law) are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they provide a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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





# Structure, governance and management

## Organisational structure

St John Ambulance is a company limited by guarantee (company number 3866129) and a charity registered with the Charity Commission for England and Wales as a linked charity, under charity number 1077265-1, linked to St John Ambulance's parent undertaking, The Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem.

The trustee directors of St John Ambulance who served during 2018 and subsequently, and the senior executives of St John Ambulance, are listed on pages 81 to 83. Principal places of business and professional advisers are shown on page 84.

The legal structure of the St John group is as follows :

### **The Priory**

An unincorporated body, registered with the Charity Commission under charity number 1077265, whose trustees (not the charity) were incorporated by the Charity Commission, under the Charities Act 1993, on 10 November 1999. The Priory Rules are the Priory's constitution document. The latest version is dated 29 January 2018.

### **St John Ambulance**

A wholly owned subsidiary of the Priory. The Memorandum and Articles of Association of St John Ambulance are its constitution document. The latest version is dated 9 January 2018 .

### **Support St John Limited**

A wholly owned trading subsidiary of St John Ambulance and a company limited by guarantee (company number 1181644).

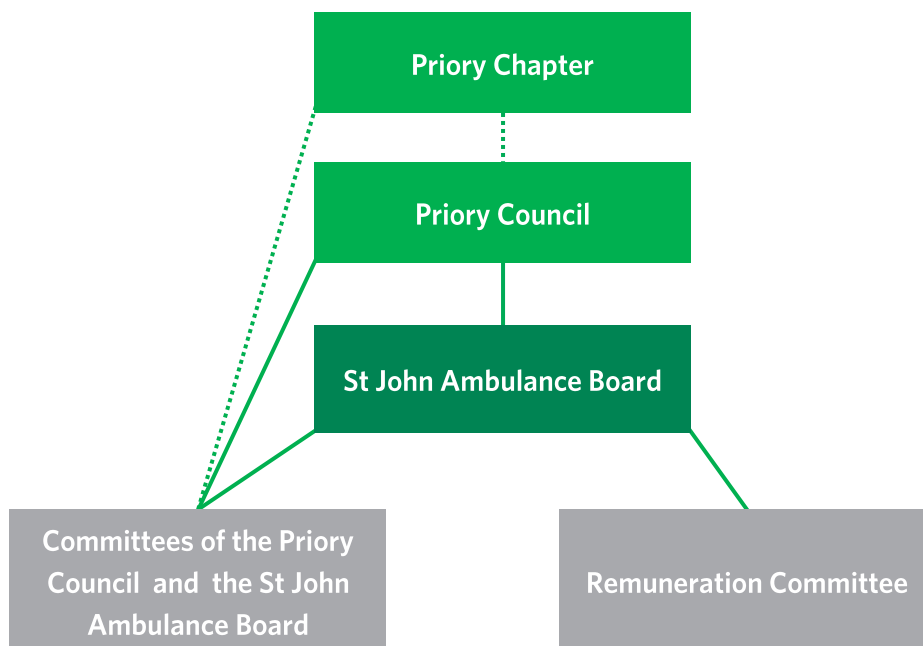
The principal activities of Support St John Limited are sponsorship, marketing, and hosting functions and events. The Memorandum and Articles of Association of Support St John Limited are its constitution document. The latest version is dated 19 October 2000 .



# Governance

## The Priory

The governing bodies of the Priory are the Priory Council of trustees ('Priory Council') and the Priory Chapter. The relationship between these bodies and St John Ambulance is shown in the diagram below. The members of each of the committees are listed on pages 82 to 83.



## Priory Council

The Priory Council is one of the two governing bodies of the Priory. The Priory Council is responsible for the governance and management of the Priory save for the matters that are within the authority of the Priory Chapter. The Priory Council also approves the appointment of the statutory auditor of St John Ambulance.

The Priory Council consists of not more than 20 trustees made up of four ex officio and 16 appointed trustees. The four ex officio members are the Prior, the Dean, the Chancellor and the Chief Volunteer who are

appointed by the Grand Prior of the Order on the recommendation of the Priory Chapter. The other trustees are appointed by the Priory Chapter following the recommendation of the Nominations Committee. The functions and powers of the Priory Council are set out in the Priory Rules.

## Priory Chapter

The Priory Chapter is one of the two governing bodies of the Priory. The Priory Chapter consists of up to 48 members made up of nine ex officio, four selected and 35 appointed members. The nine ex officio members include the Prior, the Dean, the Chancellor and the Chief Volunteer who are appointed by the Grand Prior of the Order on the recommendation of the Priory Chapter. The method for the appointment of the selected and appointed members, and the period of service of Priory Chapter members, is set out in the Priory Rules.

## Priory Chapter, continued

The functions and powers of the Priory Chapter are set out in the Priory Rules. The Priory Chapter provides advice and constructive challenge to the Priory Council. It also recommends the appointment of the four ex officio members of the Priory Council to the Grand Prior of the Order. In addition, the Priory Chapter appoints the other members of the Priory Council. The Priory Chapter also appoints the statutory auditor of the Priory, following the recommendation of the Priory Council.

## St John Ambulance Board of trustee directors

The Board of St John Ambulance trustee directors is the governing body of St John Ambulance. The Board consists of not more than 20 trustee directors. The Prior (who chairs the Board), the Dean, the Chancellor and the Chief Volunteer are automatically trustee directors of St John Ambulance. The Priory Council appoints the remaining St John Ambulance trustees on the recommendation of the Nominations Committee. The functions and powers of the Board are set out in the St John Ambulance Memorandum and Articles of Association.

Each trustee is appointed for an initial three-year period which, depending on the nature of their appointment, may be renewed, normally for one or two further three-year periods.

A formal trustee director induction procedure is in place and an induction pack is provided to all new trustee directors. The pack contains key information and documents regarding

a trustee director's role in St John Ambulance. In addition, each new trustee director is invited to attend induction meetings. Opportunities are identified to enable trustee directors to gain an understanding and appreciation of the work of St John Ambulance at a local level. Access is also available to relevant internal and external training courses.

Priory Council and the St John Ambulance Board operate collectively as two boards, with joint meetings. The structures and governance in place within the The Priory of England were reviewed by Deloitte in 2018.

## Charity Governance Code

The Charity Governance Code for larger charities is not a legal or regulatory requirement. It sets out recommended practice for good governance. In 2018 the trustees approved the adoption of the code for larger charities.

The charity considers the Charity Governance Code to help ensure that it operates a good system of Governance. The trustees meet Principle 1 of the Code (Organisation) through regular strategic reviews and periodic governance assessments; Principle 2 (Leadership) through effective Board procedures and scrutiny of the work and role of the Executive Leadership Team; and Principle 3 (Integrity) through adherence to the Trustee Code of Conduct (including requirements in relation to any conflicts of interest that might arise).

The trustee directors meet Principle 4 of the Code (Decision-making, Risk and Control) through clear delegation

of operational matters to the Executive Leadership Team, and by appropriate delegation to a small number of committees, in particular, the Audit and Risk Committee. The trustee directors ensure that there is effective monitoring and approval of the charity's Top Risk Register, and regular assurance and audit checks (including those carried out by the statutory auditor).

The trustee directors meet Principle 5 (Board Effectiveness) through regular planned Board meetings; biennial trustee reviews, and assessments of required trustee competencies and an open and transparent recruitment process via the Nominations Committee. This is supported by effective inductions and periodic individual reviews. The introduction of periodic group reviews will enhance this further.

Principle 6 (Diversity) is approached via an open trustee director recruitment process, and regular discussion as to how trustee directors might be recruited from a wider pool of individuals. Further work is ongoing in this respect.

The trustee directors meet Principle 7 (Openness and Accountability) through regular communication with the charity's stakeholders (especially through its Chapter body which includes representatives from local County Priory Groups and local Districts). A Register of Trustee Interests is maintained, and a comprehensive range of policies, procedures and guidelines are provided to aid volunteers and staff engagement.



# Management

The Board of directors is responsible for setting strategies and policies for St John Ambulance and for ensuring that these are implemented.

The Board is assisted in its work by a number of formally constituted committees. Some committees include independent members. An independent member is somebody who is neither an employee nor a trustee of St John. The members of these committees are selected either internally or externally on the basis of the particular skill sets required on the committee.

## Nominations Committee

The Nominations Committee is a joint committee of the Priory Council, Priory Chapter, and the St John Ambulance Board, with terms of reference approved by each of these bodies. The committee meets as and when required. It provides recommendations to the Priory Council regarding the appointment (and reappointment) of trustee directors of St John Ambulance. It also advises the Priory Council and the St John Ambulance Board directly about the appointment and reappointment of the chairs of committees.

The Nominations Committee comprises nine members and is chaired by the Prior. It includes the Dean and the Chancellor as ex officio members. Three members are selected from the Priory Chapter and the remaining three members are independent of both the Priory Chapter and the Priory Council.

## Audit and Risk Committee

The Audit and Risk Committee, which is a joint committee of the Priory Council and the St John Ambulance Board, reviews the effectiveness of internal controls (including financial controls) and risk management systems, the effectiveness of the internal and external audit functions and the clarity and completeness of disclosures in the Annual Report and Accounts of St John. The committee meets at least four times a year and at other times as required. The Chair is an independent trustee director.

## Remuneration Committee

The Remuneration Committee determines the remuneration and benefits of the Chief Executive and the other members of the Executive Leadership Team. The committee also makes recommendations to the St John Ambulance Board regarding annual pay awards, the structure, size and composition of the Executive Leadership Team, as well as considering the framework and broad policy for remuneration of all employees. The committee meets at least once a year and at other times as required. The Chair is an independent trustee director.

St John Ambulance uses an independently developed system of job evaluation that is transparent and objective, and undertakes periodic reviews of the external market, using independent organisations, to ensure that executive remuneration remains in line with the levels of other charities of similar size and complexity. Salary levels are set in the context of St John Ambulance's charitable status and take account of affordability in the

light of the charity's financial position.

During the year, the following additional formal committees were created, or are currently being created, to enhance the governance of the charity:

## Finance Committee

The Finance Committee is a joint committee of the Priory Council and the St John Ambulance Board. The committee met for the first time on 21 November 2018. The committee was created to provide oversight for finances and financial management of the charity's mission and takes responsibility on behalf of the Board for overseeing all financial aspects of the charity's operations.

The committee reviews the charity's business plan and budget and makes recommendations to the Priory Council and the St John Ambulance Board. It takes joint responsibility with the Audit and Risk Committee for the review and endorsement of the financial elements of the Annual Report. The committee also approves the investments policy and the reserves policy of the charity and reviews financial performance against budget, as well as the performance of the charity's investments.

The committee meets at least four times a year and at other times as required. The Chair is a trustee of the Priory Council.

## Fundraising Committee

The Fundraising Committee is a joint committee of the Priory Council and the St John Ambulance Board. The committee met for the first time on 18 January 2019. The committee was created to provide oversight for the planning and performance of the fundraising directorate, including adherence to the Fundraising Code of Practice. The committee makes recommendations to the Priory Council and the St John Ambulance Board regarding the fundraising strategy, budgets and on-going fundraising activity, as well as on investment in fundraising.

The committee meets at least three times a year and at other times as required. The Chair is an independent trustee director.

## Clinical Committee

The Clinical Committee is a joint committee of the Priory Council and the St John Ambulance Board. The committee met for the first time on 2 April 2019. The committee has been created to provide oversight for clinical matters including clinical governance and assurance. The committee is responsible for developing the clinical strategy of the charity and ensuring that all clinical care is within statutory guidelines and in keeping with the mission of the charity.

The committee meets at least four times a year and at other times as required. The Chair is an independent trustee director.

## Heritage Committee

It is intended to form a Heritage Committee during 2019. This will have the responsibility to ensure that our historic fabric is maintained, conserved and restored, to champion inclusive public access to our collections and historic estate, to oversee major heritage projects and to promote the benefits of heritage. This committee is not yet in operation.

## People Committee

It is intended to form a People Committee, with oversight of matters relating to staff and volunteers, during 2019. This committee is not yet in operation.

## Delegation of authority

Authority to conduct the daily operations of St John Ambulance is delegated by the Board to the Chief Executive, who is assisted in the implementation of strategy and policies by the Executive Leadership Team, to whom certain functions are further delegated. The members of the Executive Leadership Team are listed on page 83.

## St John People

Our employees and volunteers are consulted on a large range of issues using a variety of mechanisms, such as employee forums at directorate and national level, and the bi-annual volunteer forum. These, and other

methods, ensure their voices are heard as we make decisions. In addition, there are a number of ways that we communicate with our people, both in person through formal and informal briefings, or using digital channels, such as our intranet (CONNECT), email and newsletters or more traditional printed updates.

We have a range of policies and processes that apply equally, where possible, to employees and volunteers. These promote good management practice, as well as ensuring that we meet minimum legal and regulatory compliance. While too many to list, these include the Conduct & Performance Policy, the Equality, Diversity and Inclusion Policy and the Recruitment & Selection Policy.

We are an equal opportunities employer and make adjustments to disabled members of our workforce as far as we reasonably can. Finally, we have several initiatives, supported by robust processes, which promote effective and compassionate leadership and management.

## Auditor

Grant Thornton UK LLP has indicated its willingness to be reappointed as statutory auditor.





# Our principal risks and uncertainties

As an active healthcare charity working in the community, our main risks relate to unintentionally causing harm to people and ineffectively meeting key regulators' requirements. We take these risks seriously and continue to develop our approach to ensure the quality and safety of our care.

## How we manage our risks

The directors identify the major strategic risks to which St John Ambulance is exposed and establish controls and actions to mitigate them. Risk assessments and a risk register are in place and are subject to continual review and monitoring by the Executive Leadership Team and by the Audit and Risk Committee.

The directors take all appropriate steps to moderate and manage the inevitable operational risks to which volunteers, employees, the assets and the reputation of St John Ambulance are exposed.

The internal audit department, with the oversight of the Audit and Risk Committee, provides assurance on the effectiveness of the risk management process and associated mitigation strategies and controls, focusing on the areas of greatest risk.

The following risks have been assessed in the context of the uncertainty arising from Brexit. While St John Ambulance's overseas trading and currency exposure is limited, a general economic downturn would impact our income and, consequently, our ability to maximise our charitable output.

## Risk - significant harm to an individual on St John Ambulance premises or in St John Ambulance care

No movement in perceived risk in 2018

### Key controls and actions:

Policies and procedures for safeguarding children and vulnerable adults, for standards of clinical practice, and for maintaining a safe and healthy working environment for employees, volunteers and service users. Increasingly standardised training for public-facing employees and volunteers.

Following structural changes to the charity, we continue to drive increased consistency of practice across our operational activity. We make efforts to learn from incidents that occur and have identified the need to support a learning culture at the heart of what we do.

## Risk - breach of principal legal or regulatory requirements, such as those relating to health and safety standards or Care Quality Commission (CQC) requirements

Reduction in perceived risk in 2018

### Key controls and actions:

Key areas are subject to monitoring and reporting to the directors, who also keep up to date with forthcoming changes in the external regulatory environment.

In 2018, we responded to findings from various CQC inspections and reports and will continue to do so in 2019.



### **Risk – reputational damage due to internal or external factors**

Reduction in perceived risk in 2018

#### **Key controls and actions:**

Policies and procedures in relation to operational activities, with national and regional teams in place to handle incidents that may arise. Key areas that may generate risk are subject to monitoring and reporting at director level, as well as inclusion in the charity's risk register.

### **Risk – insufficient funds in place to enable St John Ambulance to continue our current level of daily operations in the longer term**

Reduction in perceived risk in 2018

#### **Key controls and actions:**

Diverse customer base for main training and supplies revenue streams. Established systems for financial planning, budgeting and monitoring of financial performance, with budgeting further aligned to business planning and prioritisation during 2018. Effective financial management including strategic and short-term treasury planning and management of liquid resources; and clearly-defined delegated authorities for committing to, or approving, expenditure.

St John Ambulance's main exposure to institutional credit risk arises in respect of our investments and cash holdings. This risk that monies held or invested with financial institutions may not be repaid is controlled principally through restrictions regarding which institutions these may be placed with.

Credit risk in relation to customer debts (the risk that a customer will not pay monies owed) is assessed as low because of the nature of St John Ambulance's customer base and the very small number of large customer accounts. Risks relating to cash flow and liquidity are managed through short and long-term planning and forecasting.

### **Risk – poor or failing business systems, including I.T., affecting the ability of St John Ambulance to operate effectively**

No movement in perceived risk in 2018, although the external IT security environment is increasingly challenging

#### **Key controls and actions:**

Business systems are monitored to identify at an early stage where improvement may be required. Service level agreements are in place with third party suppliers for systems infrastructure.

# In gratitude

**The directors would like to convey their sincere thanks to all of the donors, volunteers and employees who have so generously given their support to St John, including those listed below.**

**With their continuing efforts we look forward to enhancing the delivery of our charitable services within the community.**

Audrey Earle Charitable Trust	Nesta	The Privy Purse Charitable Trust
Barratt	Peacock Charitable Trust	The S M B Trust
Brighton District Nursing Association Trust	Phoebe Wortley-Talbot Charitable Trust	The Sir Edward Lewis Foundation
Bunzl	Prudential	The Wilfred and Elsie Elkes Charity Fund
Cooperative	Souter Charitable Trust	Youth United Foundation
Deloitte	Stryker	Zoll
Douglas Compton James Charitable Trust	Tesco	
Dudley and Geoffrey Cox Charitable Trust	The Bruce Ball Charitable Trust	
Edna Brown Charitable Settlement	The Curtis Family Charitable Trust	
Ernest Hecht Charitable Foundation	The Goldcrest Charitable Trust	
Essity	The Department for Digital, Culture Media & Sport	
K M Williams Deceased Will Trust	The Grand Lodge of Mark Master Masons	
Kinetik	The J R Rudd Foundation	
Laerdal	The Joan Wyatt Charitable Trust	
Lillie Johnson Charitable Trust	The John Raymond Tijou Charitable Trust	
Major R L P Colman Charitable Trust	The National Lottery Community Fund	
Martek		

**This report, including the strategic report, was approved by the directors on 21 May 2019 and signed on their behalf by:**

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**Surgeon Rear Admiral Lionel Jarvis  
CBE KStJ DL MB BS FRCR  
Chair**





THE MOST VENERABLE  
ORDER OF ST JOHN

St J  
Amb



# Independent auditor's report

## To the member of St John Ambulance

### Opinion

We have audited the financial statements of St John Ambulance (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate
- the directors 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 12 months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, set out on pages 2 to 84 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 Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Strategic Report and the Directors' Report included in the Report of the Directors have been prepared in accordance with applicable legal requirements.

## Matter on which we are required to report under the Companies Act 2006

In the light of the 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 Strategic Report or the Directors' Report included in the Report of the Directors.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 40 the directors 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 directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

This description forms part of our auditor's report.

## 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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**Carol Rudge**  
**Senior Statutory Auditor,**  
**For and on behalf of Grant Thornton**  
**UK LLP**  
**Statutory Auditor, Chartered**  
**Accountants,**  
**London**

**21 May 2019**

# **Financial statements**

## **for the year ended 31 December 2018**





# Statement of financial activities

(Incorporating an income and expenditure account) for the year ended 31 December 2018

	Note	Unrestricted funds £m	Restricted and endowment funds £m	2018 Total £m	2017 £m
<b>Income and endowments from:</b>					
Income from donations and legacies	2	13.6	2.2	15.8	15.8
<b>Income from charitable activities:</b>					
<b>Delivering first aid:</b>					
First aid provision and youth development		7.1	-	7.1	7.1
Ambulance and transport services		12.5	-	12.5	14.6
Community support programmes		1.5	-	1.5	1.5
<b>Equipping the public:</b>					
Training		44.0	0.1	44.1	43.8
First aid products		13.0	-	13.0	12.2
Other charitable activities		-	-	-	0.1
<b>Total income from charitable activities</b>	3	<b>78.1</b>	<b>0.1</b>	<b>78.2</b>	<b>79.3</b>
<b>Income from other trading activities</b>	4	<b>0.8</b>	<b>-</b>	<b>0.8</b>	<b>1.0</b>
Investment income	5	1.3	-	1.3	1.2
<b>Other income</b>					
Net gain on disposal of assets		1.3	-	1.3	4.2
Other income		0.3	-	0.3	0.3
<b>Total other income</b>		<b>1.6</b>	<b>-</b>	<b>1.6</b>	<b>4.5</b>
<b>Total income</b>		<b>95.4</b>	<b>2.3</b>	<b>97.7</b>	<b>101.8</b>
<b>Expenditure on:</b>					
<b>Total expenditure on raising funds</b>	7	<b>8.8</b>	<b>-</b>	<b>8.8</b>	<b>9.4</b>
<b>Expenditure on charitable activities:</b>					
<b>Delivering first aid:</b>					
First aid provision and youth development		15.3	0.6	15.9	13.1
Ambulance and transport services		24.2	-	24.2	26.8
Community support programmes		3.9	0.1	4.0	3.9
<b>Equipping the public:</b>					
Training		34.3	-	34.3	32.7
First aid products		12.6	-	12.6	11.5
Other charitable activities		2.1	0.1	2.2	2.1
<b>Total resources expended on charitable activities</b>	7	<b>92.4</b>	<b>0.8</b>	<b>93.2</b>	<b>90.1</b>
<b>Total expenditure</b>	7	<b>101.2</b>	<b>0.8</b>	<b>102.0</b>	<b>99.5</b>
(Losses)/gains on investments	9	(3.0)	(0.2)	(3.2)	2.7
<b>Net (expenditure)/income</b>		<b>(8.8)</b>	<b>1.3</b>	<b>(7.5)</b>	<b>5.0</b>
Transfers between funds	25	1.7	(1.7)	-	-
<b>Net movement in funds</b>		<b>(7.1)</b>	<b>(0.4)</b>	<b>(7.5)</b>	<b>5.0</b>
Fund balances at 1 January		126.3	4.4	130.7	125.7
<b>Fund balances at 31 December</b>	25	<b>119.2</b>	<b>4.0</b>	<b>123.2</b>	<b>130.7</b>

All income and expenditure in 2018 arises from continuing activities. All gains and losses in the year are included above and accordingly a statement of total realised gains and losses has not been prepared.

The notes on pages 59 to 80 form part of these accounts.



# Balance sheet

As at 31 December 2018

Company number: 3866129

	Note	£m	2018 £m	£m	2017 £m
<b>Fixed assets</b>					
Heritage assets	12	2.1		2.1	
Tangible fixed assets	13	71.4		72.8	
			73.5		74.9
<b>Investments</b>					
Securities	14	16.2		17.0	
Investment property	15	16.6		18.2	
			32.8		35.2
			<b>106.3</b>		<b>110.1</b>
<b>Current assets</b>					
Stocks	16	2.0		2.4	
Debtors	17	17.7		18.6	
Current asset investments	18	13.0		15.0	
Cash and short-term deposits	18	7.0		8.4	
		39.7		44.4	
<b>Current liabilities</b>					
Creditors falling due within one year	19	(18.0)		(17.1)	
<b>Net current assets</b>					
			21.7		27.3
<b>Total assets less current liabilities</b>					
			<b>128.0</b>		<b>137.4</b>
Creditors falling due after more than one year	20		(4.8)		(6.7)
<b>Net assets</b>					
			<b>123.2</b>		<b>130.7</b>
<b>Funds</b>					
<b>Unrestricted funds</b>					
Revaluation reserve	26	15.1		18.3	
Other unrestricted funds		104.1		108.0	
<b>Total unrestricted funds</b>			119.2		126.3
<b>Restricted funds</b>			3.1		3.4
<b>Endowment funds</b>			0.9		1.0
<b>Total funds</b>	25		<b>123.2</b>		<b>130.7</b>

Approved by the board of directors of St John Ambulance on  
21 May 2019 and signed on their behalf by:  
**Surgeon Rear Admiral Lionel Jarvis CBE KStJ DL MB BS FRCR,  
Chair**

The notes on pages  
59 to 80 form part  
of these accounts.

# Cash flow statement

For the year ended 31 December 2018

	Note	2018 £m	2017 £m
<b>Net cash provided by operating activities</b>	27	<b>(1.1)</b>	<b>1.1</b>
<i>Cash flows from investing activities</i>			
Dividends, interest and rents from activities		1.3	1.2
Proceeds from sale of investments		0.4	1.8
Sales/(purchases) of current asset investments		2.0	(11.0)
Purchases of investments in securities		(1.3)	(1.2)
Proceeds from sale of tangible fixed assets		2.2	6.9
Purchases of tangible fixed assets		(3.4)	(2.2)
<b>Net cash from/(provided by) investing activities</b>		<b>1.2</b>	<b>(4.5)</b>
<i>Cash flows from financing activities</i>			
Capital element of finance lease payments		(1.5)	(1.5)
<b>Net cash provided by financing activities</b>		<b>(1.5)</b>	<b>(1.5)</b>
<b>Decrease in cash and cash equivalents during the year</b>		<b>(1.4)</b>	<b>(4.9)</b>
Cash and cash equivalents at 1 January		8.4	13.3
<b>Cash and cash equivalents at 31 December</b>	28	<b>7.0</b>	<b>8.4</b>

The notes on pages 59 to 80 form part of these accounts.

# Notes to the accounts

## For the year ended 31 December 2018

### 1. Accounting policies

The principal accounting policies are set out below. These policies have been applied consistently.

In these policies and the accounts, the following abbreviations are used:

**'the Order'** – The Most Venerable Order of the Hospital of St John of Jerusalem (charity no. 235979).

**'the Priory'** – The Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem (charity no. 1077265), the company's parent undertaking.

**'the Eye Hospital'** – The St John of Jerusalem Eye Hospital Group which is another foundation of the Most Venerable Order of St John and is registered and operates as a separate charity (charity no. 1139527).

**'SOFA'** – Statement of Financial Activities.

#### a. Basis of preparation of accounts

The annual report and accounts are prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice - Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS 102 ('the Charities SORP (FRS 102)') and with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The accounts have been prepared on a going concern basis as discussed in the report of the directors on page 39.

Consolidated accounts have not been prepared as the income, expenditure, assets and liabilities of St John Ambulance and its wholly-owned subsidiary, Support St John Limited, are included on a line-by-line basis in the consolidated accounts of the parent undertaking, drawn up for the same period.

St John Ambulance meets the definition of a public benefit entity under FRS 102 and is incorporated in the United Kingdom.

#### b. Critical accounting estimates, judgements and assumptions

In the process of applying its accounting policies, St John Ambulance is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These estimates, judgements and assumptions affect the amounts of assets and liabilities at the date of the accounts and the amounts of income and expenditure recognised during the reporting period.

Estimates are separate from judgements and are usually used to determine an amount related to certain assets and liabilities. Judgements are made when applying the accounting policies, where a different judgement may have led to a different accounting treatment, rather than determining the appropriate measurement basis.

On an ongoing basis, estimates are evaluated using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

#### Judgements

##### *Classification of leased assets*

Leases held are analysed in order to determine where the risk and reward of the ownership of the asset lies and subsequently classified as either operating or finance leases. The accounting policy for leases has been applied to these arrangements and assets acquired under finance leases are recognised within tangible fixed assets.

##### *Revenue recognition*

St John Ambulance recognises revenue on a receivable basis where the amount is reliably measurable and there is adequate probability of receipt. Income recognition policies are detailed in the accounting policy for income.

When it is considered that the key criteria of entitlement, probability and measurement for revenue recognition are not fulfilled for a transaction, revenue recognition is delayed until these are judged to have been met. Payments received in advance of revenue recognition are recorded as deferred income.

#### Estimates

The following paragraphs detail the significant estimates and assumptions St John Ambulance believes to have the most significant impact on the annual results under the Charities SORP (FRS 102).

##### *Tangible fixed assets*

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life. Increasing an asset's expected life would result in a reduced depreciation charge. The useful lives of St John Ambulance's assets are determined at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

The *de minimis* limit for the recognition of minor additions to heritage assets and fixed assets is £10,000.



# Notes to the accounts

## For the year ended 31 December 2018, continued

### 1. Accounting policies, continued

#### b. Critical accounting estimates, judgements and assumptions (continued)

##### *Valuation of investment property*

The valuation of the investment property at 27 St John's Lane that is recognised on the balance sheet is subject to an estimation of the proportion of the building which is let to third parties, as opposed to that proportion which is utilised for operational purposes. The valuation is performed by an external independent valuer.

A decision as to whether or not the property is revalued by an independent valuer at the end of a particular financial year is made subsequent to an internal assessment of whether there has been a material movement in the valuation of the property during the reporting period. An external valuation is undertaken when it is considered that the property valuation is likely to have changed materially during the year. As a minimum, an external valuation takes place every five years.

##### *Accruals, provisions and contingencies*

Expenditure incurred in the reporting period where there is uncertainty as to the final amount to be paid is accounted for on the basis of an estimated value where this treatment is viewed as appropriate. An accrual is recognised when it is probable that an obligation exists for which a reliable estimate can be made. The amount may change in the future due to new developments or as additional information becomes available.

Matters that either are possible obligations or do not meet the recognition criteria for a provision are disclosed as contingent liabilities, unless the possibility of transferring economic benefits is remote, in which case no reference is made.

##### *Additional contributions to multi-employer pension plans*

St John Ambulance currently pays additional employer contributions of over £0.3m per year to cover the deficit in the TPT Retirement Solutions Growth Plan scheme. FRS 102 includes a requirement to recognise the present value of any liability to make payments to fund any deficit relating to past service where an agreement to make the payments is in place.

The present value of the payments recognised, and the discount factor used, are derived from information specific to the St John Ambulance membership of the TPT Retirement Solutions Growth Plan that is supplied by TPT Retirement Solutions (formerly called The Pensions Trust).

##### *Recognition of doubtful debts*

A standard debt provision policy exists in order to recognise the cost of debts that are not considered to be collectable. A standard percentage of the debt value is provided against overdue debts, based on a historic analysis of the value of the average debt write-offs over the past five years. An additional provision may also be made where information received indicates that a debt is unlikely to be paid by a customer.

#### c. Historical cost convention

The accounts have been prepared using the historical cost convention, as modified by the revaluation of Investments.

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 1. Accounting policies, continued

#### d. Income

Income is recognised on a receivable basis and is reported gross of related expenditure, where the amount is virtually certain and when there is adequate probability of receipt. The specific bases used are as follows:

- Donations, gifts, legacies and general grants receivable, which do not relate to specific charitable activities, are categorised as voluntary income
- The accounts reflect no amounts in respect of time provided by volunteer members of St John Ambulance
- Gifts in kind are brought into the accounts at their estimated fair value
- Where pro bono services are received, the value of those services, as estimated by the directors, is included as both an incoming and outgoing resource in the SOFA
- Legacies are recognised as income when there is entitlement, probability of receipt and measurability of the legacy
- Fundraising income is shown gross except for small fundraising events where the cash is received net of expenditure
- Rental income is accounted for on a receivable basis over the rental period
- Income from charitable activity, including income from long-term contracts, trading and merchandising income, is accounted for when earned. Income received in advance is deferred until entitlement to the income has arisen
- Gains from the disposal of tangible fixed assets are included in the SOFA as part of other income
- Grants are recognised in the year when the entitlement to the grant is confirmed. Grants for the purchase of equipment and towards the initial setting up of projects are credited in full to the relevant activities in furtherance of the charity's objects. Grants that provide core funding or are of a general nature provided by government and charitable foundations, are recorded as voluntary income. Grants specifically for goods and services to be provided as part of charitable activities are recorded against the activity to which they relate.

#### e. Expenditure

Expenditure is recognised on an accruals basis when a legal or constructive obligation exists and is reported gross of related income on the following bases:

- Expenditure on raising funds principally comprises the costs associated with attracting voluntary income and other publicity and public relations costs, including promoting more general public awareness
- Charitable expenditure comprises direct expenditure including direct employee costs attributable to the charity's activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources. The basis of allocation of indirect costs to activities is set out in note 7.
- Governance costs comprise those incurred as a result of constitutional and statutory requirements
- Support costs represent centrally incurred costs, principally relating to management resource, IT, Finance, Human Resources, buildings management and governance costs, which cannot be attributed to specific activities but provide the organisational infrastructure that enables those activities to take place. The basis of allocation to activities is set out in note 7.

#### f. Heritage assets

St John Ambulance, on behalf of the Priory, maintains two historic buildings in Clerkenwell, London. These are the Grand Priory Church, which sits upon a 12th century Norman crypt, and the 16th century St John's Gate. Within St John's Gate is situated the Museum of the Order of St John which contains a collection of historic artefacts. Together these form the historic assets that were gifted by the Order to the Priory in 1999 and were subject to a specific term that the Priory may not dispose of these assets. If the Priory no longer considers it appropriate to retain them, they must be returned to the Order. The directors of St John Ambulance consider that it is impracticable to attribute any value in the balance sheet to those assets which were gifted by the Order.

Subsequent additions to heritage assets, all of which are funded by St John Ambulance and accounted for in its books, are stated at cost, except in the case of minor additions costing less than £10,000 each, which are expensed in the year in which the cost is incurred.

Expenditure on the historic buildings which results in significant enhancement of the internal configuration and allows for better visual display is capitalised, with depreciation charged over an estimated life of 50 years.

Historic artefacts which are considered to have indefinite lives are not subject to depreciation. The carrying amounts at which heritage assets are held in the balance sheet are reviewed where evidence of possible impairment exists and reduced where an impairment is deemed to have occurred. The cost of maintenance and repair of heritage assets is expensed in the year incurred.

# Notes to the accounts

## For the year ended 31 December 2018, continued

### Accounting policies, continued

#### g. Tangible fixed assets, depreciation and impairment

Freehold land is stated at cost.

Other tangible fixed assets are stated at cost less accumulated depreciation.

Minor additions to fixed assets, defined as those costing less than £10,000 each, are expensed in the year in which the cost is incurred.

Donated fixed assets are brought into the accounts at their estimated fair value at the time of acquisition.

Gains on the disposal of fixed assets, representing the excess of net proceeds over net book value, are recognised in the SOFA within other income.

Depreciation is provided to write off the cost of assets by equal annual instalments over their estimated useful lives as follows:

Freehold land	Not depreciated
Freehold and long leasehold buildings	50 years
Short leasehold buildings	Life of lease
Leasehold improvements	Shorter of remaining life and 10 years
Ambulances	Shorter of useful life and 7 years
Leased vehicles and equipment	Shorter of useful life and lease term
Other vehicles and equipment	3 to 7 years

Where the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable amount and the loss on impairment is recognised in the SOFA.

#### h. Investments

Listed securities are stated at fair value at the balance sheet date.

Investment property is stated at estimated fair value as at the latest valuation date, subject to obtaining advice as to the possibility of any material movements between such valuations. If there is a material movement, the property is revalued at that time. As a minimum, it is revalued by an independent valuer every five years.

Realised gains and losses on securities, calculated as the difference between the sales proceeds and their fair value at the start of the year, or subsequent cost, are credited or charged to the SOFA in the year of sale.

Unrealised revaluation gains and losses are credited or charged to the SOFA in the year of revaluation.

#### i. Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is calculated using the average cost method.

#### j. Pension costs

St John Ambulance makes contributions to a number of defined contribution pension schemes for its employees. Contributions payable to these schemes are expensed in the year in which they are incurred.

St John Ambulance participates in The Growth Plan, a multi-employer pension plan provided by TPT retirement Solutions. The Growth Plan consists of four schemes. Series 4 is a defined contribution scheme. Series 1, 2 & 3, which are closed to new entrants, are defined benefit schemes. As it is not possible for the charity to obtain sufficient information to identify the share of underlying Growth Plan assets and liabilities belonging to individual participating employers, the Growth Plan is accounted for as a defined contribution scheme.

Liabilities to make payments to fund any deficit relating to past service where an agreement to make the payments is in place are recognised in accordance with FRS 102. The amount to be recognised is the present value of the payments agreed.

#### k. Foreign currencies

Income and expenditure are translated at the rate ruling when the transaction occurs. Balance sheet items are translated at the rate ruling at the balance sheet date. Gains on exchange are recorded within other income and losses on exchange are recorded within the activity to which they relate.



# Notes to the accounts

## For the year ended 31 December 2018, continued

### 1. Accounting policies, continued

#### **l. Leases**

Assets held under finance leases and other similar contracts, which provide for rights approximating to ownership, are treated as if purchased outright and the capital elements of these obligations are recorded as liabilities. The charge to the SOFA is represented by depreciation, which is charged in line with the charity's accounting policy, and interest. The interest is spread over the lease period in order to provide for a constant periodic charge on the balance of capital repayments outstanding.

The aggregate rentals payable for operating leases are expensed on a straight line basis in annual instalments over the term of the lease including any initial rent-free period.

#### **m. Taxation**

St John Ambulance is able to partially recover Value Added Tax on purchases. Irrecoverable Value Added Tax is included in expenditure.

No Corporation Tax is due on profits arising from charitable activities.

Tax credits, tax deducted from income and receipts under deed of covenant or gift aid are recorded on a receivable basis. They are included as part of the income to which they relate.

#### **n. Funds**

Endowment funds are capital funds where the capital must be preserved although the income may be spent. The income may be added to restricted or unrestricted funds depending on the terms of the original endowment.

Restricted funds are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by the donors.

Designated funds are unrestricted funds set aside for specific purposes by the directors. They include an amount equivalent to the net book value of unrestricted fixed assets used to enable St John to continue to carry out its charitable mission.

Any net cumulative unrealised gains on the revaluation of investments, having been credited to the SOFA, are held within a revaluation reserve.

Other charitable funds are unrestricted funds that are available to St John to carry out any of its charitable objectives.

Transfers are primarily made between funds either when the acquisition of a fixed asset has discharged a restriction or to reflect movements in the amount of funds designated by the trustees for specific purposes.

#### **o. 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, representing amortised cost, as follows:

<b>Financial instrument</b>	<b>Measurement on initial recognition</b>
Cash	Cash held
Debtors	Settlement amount after any trade discounts
Creditors	Settlement amount after any trade discounts (assuming normal credit terms apply)
Investments – non-puttable unit trusts (i.e. without an option to sell the shares at a later date at an agreed price)	Transaction price (cost)

Forward commitments to purchase foreign currency are recognised at fair value at the date of purchase and are revalued as at the balance sheet date, with any movement recognised in the SOFA.

#### **p. Short term deposits**

Monies placed on deposit with a maturity date of more than three months are treated as current asset investments. Where the maturity date is three months or less, the deposit is recognised within cash or cash equivalents. In each case, the deposit is convertible to cash at its carrying amount.

# Notes to the accounts

For the year ended 31 December 2018, continued

2. Income from donations and legacies	2018	2017
	£m	£m
Donations and gifts	11.8	11.4
Legacies	2.5	1.8
Grants (see note 6)	1.0	2.1
Youth subscriptions	0.5	0.5
	<b>15.8</b>	<b>15.8</b>

## 3. Income from charitable activities

	Grants (see note 6) £m	Other £m	2018 £m	2017 £m
<b>Delivering first aid:</b>				
First aid provision and youth development	-	7.1	7.1	7.1
Ambulance and transport services	-	12.5	12.5	14.6
Community support programmes	-	1.5	1.5	1.5
<b>Equipping the public:</b>				
Training	-	44.1	44.1	43.8
First aid products	-	13.0	13.0	12.2
Other charitable activities	-	-	-	0.1
	<b>-</b>	<b>78.2</b>	<b>78.2</b>	<b>79.3</b>

## 4. Income from other trading activities

	2018 £m	2017 £m
Rents from operational buildings	0.6	0.7
Merchandising	0.1	0.1
Fundraising events	0.1	0.1
Gift aid payable by subsidiary	-	0.1
	<b>0.8</b>	<b>1.0</b>

## 5. Investment income

	2018 £m	2017 £m
Dividends and interest	0.6	0.5
Rents from investment property	0.7	0.7
	<b>1.3</b>	<b>1.2</b>

## 6. Grants receivable

	Charitable activities (see note 3) £m	Income from donations and legacies (see note 2)	2018 Total £m	2017 Total £m
Grant from The Grand Lodge of Mark Master Masons	-	0.7	0.7	2.0
Other grants	-	0.3	0.3	0.2
	<b>-</b>	<b>1.0</b>	<b>1.0</b>	<b>2.2</b>

The following grants, which are included above, are required by the donor to be individually disclosed.

Balance as at  
1 Jan 2018

Incoming  
resources

Outgoing  
resources

Balance as at  
31 Dec 2018



Grants from the Big Lottery Fund	£'000	£'000	£'000	£'000
Hastings Homeless Service, Sussex	4	20	(21)	3

# Notes to the accounts

For the year ended 31 December 2018, continued

## 7. Total expenditure

	Direct employee costs £m	Other direct costs £m	Depreciation £m	Other costs £m	Support costs (see note 8) £m	2018 Total £m	2017 £m
<i>Expenditure on raising funds</i>							
<b>Campaigning and leadership:</b>							
Fundraising costs	0.9	1.0	0.1	3.9	0.5	6.4	6.8
Publicity and public relations costs	0.9	0.2	-	1.1	0.2	2.4	2.6
	<b>1.8</b>	<b>1.2</b>	<b>0.1</b>	<b>5.0</b>	<b>0.7</b>	<b>8.8</b>	<b>9.4</b>
<i>Expenditure on charitable activities</i>							
<b>Delivering first aid:</b>							
First aid provision and youth development	2.4	6.3	0.8	4.6	1.8	15.9	13.1
Ambulance and transport services	8.6	3.1	1.9	6.3	4.3	24.2	26.8
Community support programmes	1.5	0.2	0.1	1.3	0.9	4.0	3.9
<b>Equipping the public:</b>							
Training	14.9	4.2	0.8	9.7	4.7	34.3	32.7
First aid products	0.6	8.8	0.2	2.0	1.0	12.6	11.5
Other charitable activities	0.3	0.2	0.1	1.4	0.2	2.2	2.1
	<b>28.3</b>	<b>22.8</b>	<b>3.9</b>	<b>25.3</b>	<b>12.9</b>	<b>93.2</b>	<b>90.1</b>
<b>Total expenditure</b>	<b>30.1</b>	<b>24.0</b>	<b>4.0</b>	<b>30.3</b>	<b>13.6</b>	<b>102.0</b>	<b>99.5</b>

Fundraising costs include support costs and other indirect costs of £1.4m (2017: £1.3m), which have been allocated as described in the accounting policies (see note 1). Excluding these allocated costs, fundraising costs total £5.0m (2017: £5.5m).

Direct costs are those associated with providing the activity: for example, first aid training includes training materials.

Other costs include indirect costs relating to employees, office accommodation and communications, which have been allocated to cost categories as described below.

Support costs represent indirect costs which cannot be attributed to specific activities but provide the organisational structure that enables those activities to take place.

Indirect costs are allocated on a basis consistent with the use of resources. Allocation is calculated using both relative employee numbers and usage of resources, with the proportion of each allocation basis used varying depending upon the type of cost to be allocated.

<b>Total expenditure includes:</b>	2018 £m	2017 £m
Operating lease rentals:		
Land and buildings	2.3	1.4
Vehicles and equipment	0.7	0.7
Finance lease interest	0.2	0.3

The auditor's remuneration for the audit of these accounts was £61,000 (2017: £60,000). Non-audit fees in relation to other ad-hoc and advisory work totalling £19,000, in respect of the audit of an annual statement to the Cabinet Office re door to door fundraising and taxation advice relating to the creation of a salary sacrifice scheme for employees, were also payable to the auditors during the year (2017: £4,000).



# Notes to the accounts

For the year ended 31 December 2018, continued

## 8. Analysis of support costs

Support costs within note 7, which include external consultancy and project management costs, are allocated to activities as appropriate:

	Governance £m	Management £m	Human resources £m	Central finance £m	Information Technology £m	Building management £m	2018 Total £m	2017 £m
<b>Campaigning and leadership:</b>								
Fundraising and publicity	-	0.1	-	0.2	0.3	0.1	0.7	0.7
<b>Delivering first aid:</b>								
First aid provision and youth development	0.1	0.7	0.2	0.2	0.5	0.1	1.8	1.4
Ambulance and transport services	0.2	1.9	0.2	0.6	1.2	0.2	4.3	4.6
Community support programmes	0.1	0.4	-	0.1	0.2	0.1	0.9	0.6
<b>Equipping the public:</b>								
Training	0.4	0.7	0.6	0.8	1.7	0.5	4.7	4.4
First aid products	0.1	0.2	-	0.2	0.4	0.1	1.0	0.9
Other charitable activities	-	-	-	0.1	0.1	-	0.2	0.2
	<b>0.9</b>	<b>4.0</b>	<b>1.0</b>	<b>2.2</b>	<b>4.4</b>	<b>1.1</b>	<b>13.6</b>	<b>12.8</b>

## 9. Net (losses)/gains on investment assets

	2018 £m	2017 £m
Unrealised (loss)/gain on securities (see note 14)	(1.7)	1.6
Unrealised (loss)/gain on investment property (see note 15)	(1.6)	0.9
	(3.3)	2.5
Realised gain on securities (see note 14)	0.1	0.2
	<b>(3.2)</b>	<b>2.7</b>

## 10. Employee information

The average number of persons employed including part-time employees, calculated on a headcount basis, analysed by function, was:

	2018 Headcount	2017 Headcount
Charitable activities	1,646	1,764
Generating funds	21	19
Governance	16	16
	<b>1,683</b>	<b>1,799</b>

The average number of persons employed including part-time employees, calculated on a full-time equivalent basis, analysed by function, was:

	2018 Full-time equivalent	2017 Full-time equivalent
Charitable activities	1,409	1,471
Generating funds	21	19
Governance	16	16
	<b>1,446</b>	<b>1,506</b>

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 10. Employee information, continued

	2018 £m	2017 £m
<b>Total employee costs</b>		
Salaries, wages and benefits in kind	37.8	39.6
Social security costs	3.5	3.7
Pension and death benefits	2.6	1.5
	<b>43.9</b>	<b>44.8</b>

The above-noted costs include direct employee costs, which are shown in note 7, as well as indirect employee costs and employee support costs. The figure also includes additional employer defined benefit pension contributions payable to TPT Retirement Solutions of £0.3m (2017: £0.3m), as referred to in note 32.

Payments to employees, included in salaries, wages and benefits in kind, payable in relation to the termination of employment during the year totalled £0.4m (2017: £0.5m)

#### Emoluments of employees

The number of employees of St John Ambulance whose emoluments (salaries, wages, benefits in kind and termination payments) fell within the following bands were:

*Employees who did not receive any termination payments*

	2018 Number	2017 Number
£60,001 - £70,000	7	8
£70,001 - £80,000	4	5
£80,001 - £90,000	5	7
£90,001 - £100,000	4	3
£100,001 - £110,000	3	4
£110,001 - £120,000	1	2
£120,001 - £130,000	1	-
£140,001 - £150,000	1	-

*Employees for whom termination payments are payable*

	2018 Number	2017 Number
£70,001 - £80,000	1	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	-
£120,001 - £130,000	1	-
£150,001 - £160,000	2	-
£160,001 - £170,000	-	2
£260,001 - £270,000	-	1

In addition, during the year, employer pension contributions to a defined contribution scheme on behalf of all of these employees amounted to approximately £224,000 (2017: £229,000).

Further details of the St John Ambulance pension scheme are set out in note 32.

#### Key management personnel

Key management personnel are defined as the trustees of the Priory, the directors of St John Ambulance and the leadership team of the charity. During 2018 the key management personnel also included members of the senior management team, which was reconfigured during the year to form the Executive Leadership Team. The trustees and directors receive no remuneration except for expenses necessarily incurred during the performance of their duties. The members of the Executive Leadership Team are listed on page 83.

The total emoluments of the key management personnel (salaries, wages and benefits in kind, including pension costs, termination payments, employer National Insurance contributions and fees payable), excluding expenses necessarily incurred during the performance of their duties, during the year were £1,253,000 in relation to 12 people (2017: £1,459,000 in relation to 11 people).

Donations made by key management personnel during 2018 were £2,400 (2017: £1,600).

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 10. Employee information, continued

#### Key management personnel, continued

Included in the financial statements for 2017 were payments totalling £98k made to Belmont Executive Management Limited for the services of David Springthorpe, in relation to the role of Interim Chief Executive between July and December 2017. Mr Springthorpe served as a trustee director of St John Ambulance until the 15th June 2017, on which date he resigned from that role. He was subsequently appointed to the role of interim Chief Executive until the end of 2017, with a handover period that began in July 2017. Full disclosure of these payments was made in the 2017 Annual Report and Accounts.

Mr Springthorpe was appointed as a trustee director of St John Ambulance on 24 June 2018. No monies are payable to Belmont Executive Management Limited in relation to 2018.

### 11. Directors' remuneration

The directors receive no remuneration for their services but are reimbursed for expenses which are necessarily incurred in the performance of their duties.

The total of expenses (relating principally to travel, subsistence and accommodation) in 2018 was £44,000 (2017: £50,000) relating to 13 directors (2017: 13).

### 12. Tangible fixed assets - heritage assets

	Historic buildings £m	Artefacts £m	Total £m
<b>Cost</b>			
At 31 December 2017 and 31 December 2018	2.0	0.4	2.4
<b>Accumulated depreciation</b>			
At 31 December 2017	0.3	-	0.3
Charge for year	-	-	-
At 31 December 2018	0.3	-	0.3
<b>Net book value 31 December 2018</b>	<b>1.7</b>	<b>0.4</b>	<b>2.1</b>
Net book value 31 December 2017	1.7	0.4	2.1

The amount of depreciation charged in 2018 in respect of historic buildings was £40,000 (2017: £40,000).

St John Ambulance maintains approximately 60,000 artefacts of which c.2000 are on public display in the Museum and historic buildings of the St John estate in Clerkenwell. The remaining artefacts are held in on-site storage. The items held cover the complete narrative of the Order, from its 11th century foundations, through to extensive social history collections that chart the development and expansion of St John Ambulance. The collection includes historic objects, archival holdings and a library. There is no charge for admission to the Museum although donations are welcome. Further details relating to the history of St John and collections held by the Museum are provided on the Museum's website ([www.museumstjohn.org.uk](http://www.museumstjohn.org.uk)).

The acquisition and disposal of artefacts is carried out according to the Museum's Collection Development Policy, which follows best practice in line with the Museum's Accredited status.

The Museum employees are responsible for the care of collections and heritage assets. Detailed records of collections are maintained and a rolling process of auditing collections and the updating of records continues.

#### Summary analysis of heritage asset transactions

	2018 £'000	2017 £'000	2016 £'000	2015 £'000	2014 £'000
Depreciation - historic buildings only	40	40	40	40	40

The accounting policy in relation to heritage assets is described in note 1.

Over the past five years, there have been no purchases, donations received or disposals of heritage assets that have amended the carrying value of heritage assets held on the balance sheet. St John Ambulance does not sell artefacts for financial gain, although some minor items may be disposed of in accordance with the Museum's Collection Development Policy and the guidelines of the Museum's Association Code of Ethics.



# Notes to the accounts

For the year ended 31 December 2018, continued

## 13. Tangible fixed assets

	Freehold property £m	Long leasehold property £m	Short leasehold property £m	Vehicles & equipment £m	Total £m
<b>Cost</b>					
At 1 January 2018	64.4	15.0	3.2	42.7	125.3
Additions	0.7	-	0.5	2.2	3.4
Disposals	(1.1)	-	-	(2.4)	(3.5)
Transfers	(2.5)	2.5	-	-	-
At 31 December 2018	<u>61.5</u>	<u>17.5</u>	<u>3.7</u>	<u>42.5</u>	<u>125.2</u>
<b>Accumulated depreciation</b>					
At 1 January 2018	11.8	3.7	1.7	35.3	52.5
Charge for the year	0.9	0.3	0.2	2.5	3.9
Disposals	(0.2)	-	-	(2.4)	(2.6)
Transfers	(0.6)	0.6	-	-	-
At 31 December 2018	<u>11.9</u>	<u>4.6</u>	<u>1.9</u>	<u>35.4</u>	<u>53.8</u>
<b>Net book value 31 December 2018</b>	<b><u>49.6</u></b>	<b><u>12.9</u></b>	<b><u>1.8</u></b>	<b><u>7.1</u></b>	<b><u>71.4</u></b>
Net book value December 2017	<u>52.6</u>	<u>11.3</u>	<u>1.5</u>	<u>7.4</u>	<u>72.8</u>

The net book value of assets that are held under finance leases at 31 December 2018 was £3.7m (2017: £5.1m). The depreciation attributable to these assets during the year was £1.4m (2017: £1.5m). All assets held under finance leases are classified as vehicles and equipment.

## 14. Investments - securities

### Analysis of investments at 31 December by category of holding

	2018 £m	2017 £m
Unit trust	16.2	17.0
	<b><u>16.2</u></b>	<b><u>17.0</u></b>

Unit trusts include no cash instruments (2017: £Nil).

### Analysis of investments at 31 December by location

	2018 £m	2017 £m
Investments in the UK	9.7	10.1
Investments outside the UK	6.5	6.9
	<b><u>16.2</u></b>	<b><u>17.0</u></b>

### Analysis of movements in the securities

	2018 £m	2017 £m
Fair value at 1 January	17.0	15.8
Additions at cost	1.3	1.2
Book value of disposals	(0.4)	(1.6)
Net unrealised (losses)/gains (see note 9)	(1.7)	1.6
Fair value at 31 December	<b><u>16.2</u></b>	<b><u>17.0</u></b>

A realised gain, net of sale costs, of £0.1m (2017: £0.2m) arose from disposals and has been included in the SOFA as part of the total gains on investment assets (see note 9).

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 14. Investments - securities, continued

The value of the following investments represented more than 5% of the fair value as at 31 December 2018:

	Number of shares	Fair value £m
BlackRock Charishare Common Investment Fund	1,678,029	9.7
BlackRock iShares North American Equity Index Fund class D accumulating units	914,284	3.1
BlackRock iShares Continental European Equity Index Fund class D accumulating units	817,293	1.8

The year end fair value of securities, and historical cost, is shown below:

	2018 £m	2017 £m
Fair value	16.2	17.0
Cost	(14.0)	(13.1)
<b>Revaluation surplus</b>	<b>2.2</b>	<b>3.9</b>

The reduction in the revaluation surplus is reflected in the SOFA within unrealised gains and losses (see note 9).

### 15. Investment property

#### Analysis of movements in investment property

	2018 £m	2017 £m
Fair value at 1 January	18.2	17.3
(Decrease)/increase in fair value	(1.6)	0.9
<b>Fair value at 31 December</b>	<b>16.6</b>	<b>18.2</b>

St John Ambulance has one investment property, which is adjacent to the Museum of the Order of St John at St John's Gate. The majority of space in the building is let to third parties, but it also accommodates the National Headquarters of St John Ambulance. The carrying value of the property is split into two separate elements. That part of the building which is let to third parties is included in the balance sheet at fair value, while that part which is used by St John Ambulance for operational purposes is carried in the balance sheet at cost, less accumulated depreciation.

The freehold interest in the property was valued as at 31 December 2014 by Daniel Watney LLP, Chartered Surveyors, a firm of independent valuers, who also provided an update to this valuation as at 31 December 2018. The total valuation of the building as at 31 December 2018, including both the operational and investment elements of the property, was £28.2m (2017: £30.3m). Of this amount, £11.6m is classified as operational and £16.6m is classified as the valuation of the investment property.

The valuation amount has been apportioned between the investment and non-investment parts of the building using the relative floor areas attributable to each element.

The updated valuation was prepared in accordance with the RICS valuation – Global Standards 2017 which incorporates the IVS and the RICS Valuation – Professional Standard UK January 2014 (Revised April 2015) (the "Red Book") and UK Generally Accepted Accounting Principles (GAAP) and FRS 102. The property has been valued on the basis of fair value on the assumption it would be sold subject to the existing leases and tenancies.

The valuer's opinion of fair value was primarily derived using recent comparable market transactions on arm's length terms together with other valuation techniques

A comparison of the valuation of the investment property and its historical cost is shown below.

	2018 £m	2017 £m
Fair value	16.6	18.2
Cost at 1 January and at 31 December	3.6	3.6
<b>Revaluation surplus</b>	<b>13.0</b>	<b>14.6</b>

The reduction in the revaluation surplus is reflected in the SOFA within unrealised gains and losses (see note 9).

# Notes to the accounts

## For the year ended 31 December 2018, continued

<b>16. Stocks</b>	2018 £m	2017 £m
At 31 December stock held amounted to:		
First aid training products and equipment	2.0	2.4
	<b>2.0</b>	<b>2.4</b>

Stock expensed during the year within cost of sales was £9.4m, (2017: £8.6m).

An impairment loss of £0.1m (2017: £Nil) was recognised against stock during the year due to slow moving and obsolete stock.

No stock is pledged as security as at the balance sheet date (2017: £Nil)

<b>17. Debtors</b>	2018 £m	2017 £m
Trade debtors	11.9	12.8
Legacies receivable	0.2	-
Other debtors	0.1	0.2
Prepayments and accrued income	5.5	5.6
	<b>17.7</b>	<b>18.6</b>

### **18. Cash and short term deposits**

Cash and short term deposits includes monies held in interest-bearing bank accounts as well as monies held on short-term deposit with an initial maturity on deposit of less than three months (see note 28).

As at 31 December 2018, amounts totalling £13.0 million were held within a series of 12 month term deposits. These deposits mature on a rolling basis, with maturity dates between March and December 2019. The deposits are treated as a current asset investment and excluded from cash at bank and in hand.

<b>19. Creditors falling due within one year</b>	2018 £m	2017 £m
Trade creditors	4.9	5.0
Obligations under finance leases	1.5	1.5
Pension contributions (see note 33)	0.7	0.6
Taxes and social security	2.0	1.9
Holiday pay	0.4	0.4
Other creditors	0.1	0.1
Accruals	4.1	3.6
Deferred income (see note 21)	4.3	4.0
	<b>18.0</b>	<b>17.1</b>

### **20. Creditors falling due after more than one year**

Amounts falling due after more than one year comprise:

	2018 £m	2017 £m
Finance leases	2.6	4.1
Pension contributions (see note 33)	2.2	2.6
	<b>4.8</b>	<b>6.7</b>

### **21. Deferred income**

	Course fees £m	Other £m	Total £m
Balance at 1 January 2018	3.6	0.4	4.0
Amount released to income	(3.6)	(0.4)	(4.0)
Amount deferred in the year	3.9	0.4	4.3
<b>Balance at 31 December 2018</b>	<b>3.9</b>	<b>0.4</b>	<b>4.3</b>



# Notes to the accounts

For the year ended 31 December 2018, continued

## 22. Financial commitments

Operating lease commitments

Leases which expire within	Land & buildings £m	Vehicles & equipment £m	Total 2018 £m	Land & buildings £m	Vehicles & equipment £m	Total 2017 £m
Less than one year	0.5	-	0.5	0.6	-	0.6
Two to five years	2.8	1.5	4.3	0.8	1.7	2.5
Over five years	3.5	-	3.5	4.3	-	4.3
	<b>6.8</b>	<b>1.5</b>	<b>8.3</b>	<b>5.7</b>	<b>1.7</b>	<b>7.4</b>

Future minimum finance lease payments

Future minimum payments as at the balance sheet date in relation to finance leases, primarily relating to ambulances, comprise:

	2018 £m	2017 £m
Amounts payable within less than one year	1.6	1.8
Amounts payable between two and five years	2.8	4.2
Amounts payable after five years	-	0.2
	<b>4.4</b>	<b>6.2</b>

## 23. Capital commitments

At 31 December capital commitments contracted for amounted to:

	2018 £m	2017 £m
Vehicles and equipment	0.7	2.3
	<b>0.7</b>	<b>2.3</b>

Capital commitments primarily relate to outstanding orders for ambulances, mobile treatment centres and support vehicles.

## 24. Analysis of total funds

Type of asset and liability

	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	2018 £m	2017 £m
Heritage assets	2.1	-	-	2.1	2.1
Tangible fixed assets	71.4	-	-	71.4	72.8
Securities	14.7	0.6	0.9	16.2	17.0
Investment properties	16.6	-	-	16.6	18.2
Net current assets	19.2	2.5	-	21.7	27.3
Creditors falling due after more than one year	(4.8)	-	-	(4.8)	(6.7)
	<b>119.2</b>	<b>3.1</b>	<b>0.9</b>	<b>123.2</b>	<b>130.7</b>

# Notes to the accounts

For the year ended 31 December 2018, continued

## 25. Total funds

	1 Jan 2018 £'000	Incoming resources £'000	Outgoing resources £'000	Investment (losses)/ gains £'000	Transfers and reallocations £'000	31 Dec 2018 £'000
<b>Restricted funds</b>						
<i>Lottery funds</i>						
Big Lottery Fund – Hastings Homeless Service	4	20	(21)	-	-	3
<i>Other restricted funds</i>						
Airwing travelling fellowships	206	5	(7)	(18)	-	186
Building purchases and maintenance	37	33	(24)	-	(18)	28
Community care	19	-	(5)	-	1	15
Local and sundry funds	1,285	760	(631)	(10)	(184)	1,220
Medical vehicle purchases and maintenance	22	617	(19)	-	(90)	530
R Luff benevolent fund	181	24	(5)	(17)	-	183
Training funds	156	-	(13)	-	-	143
Volunteer development and welfare	152	221	(96)	-	-	277
Grant from The Grand Lodge of Mark Master Masons	1,274	658	-	-	(1,446)	486
<b>Total restricted funds</b>	<b>3,336</b>	<b>2,338</b>	<b>(821)</b>	<b>(45)</b>	<b>(1,737)</b>	<b>3,071</b>
<b>Endowment funds</b>						
G Holland Trust	140	-	-	(18)	-	122
R Luff benevolent fund	767	-	-	(71)	-	696
Doug Spence fund	111	-	-	(14)	-	97
Other funds	13	-	-	-	-	13
<b>Total endowment funds</b>	<b>1,031</b>	<b>-</b>	<b>-</b>	<b>(103)</b>	<b>-</b>	<b>928</b>
<b>Unrestricted funds</b>						
<i>Designated funds</i>						
Purchase and replacement of vehicles	800	-	(120)	-	1,810	2,490
Building refurbishment	4,500	-	(4,383)	-	2,391	2,508
Business processes and systems	5,650	-	(2,631)	-	1,421	4,440
Fundraising initiatives	2,700	-	-	-	3,347	6,047
	13,650	-	(7,134)	-	8,969	15,485
Fixed asset reserve – representing the book value of unrestricted fixed assets	74,941	-	-	-	(1,467)	73,474
<b>Total designated funds</b>	<b>88,591</b>	<b>-</b>	<b>(7,134)</b>	<b>-</b>	<b>7,502</b>	<b>88,959</b>
Investment property	18,230	-	-	(1,590)	-	16,640
Unrestricted funds (operational free reserves—see pages 38 to 39)	19,516	95,353	(94,024)	(1,500)	(5,765)	13,580
<b>Total unrestricted funds</b>	<b>126,337</b>	<b>95,353</b>	<b>(101,158)</b>	<b>(3,090)</b>	<b>1,737</b>	<b>119,179</b>
<b>TOTAL FUNDS</b>	<b>130,704</b>	<b>97,691</b>	<b>(101,979)</b>	<b>(3,238)</b>	<b>-</b>	<b>123,178</b>

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 25. Total funds, continued

Investment gains and losses arise in respect of investments which are held as part of the restricted and endowment fund assets.

Transfers and reallocations between funds arise from transfers between unrestricted and restricted funds, including the derestriction of fixed assets which have been purchased utilising restricted fund balances.

#### Endowment funds

Endowment funds represent:

- G Holland Trust - provides income to be used by a specific unit of St John Ambulance in Kent
- R Luff benevolent fund - a capital fund established to support members in cases of hardship
- Doug Spence fund - a fund established for the benefit of St John Ambulance in Gloucestershire
- Other funds - comprise endowments held at local level to provide income to meet operational requirements.

#### Designated funds

Designated funds which are, except for the fixed asset reserve, expected to be spent in 2019 and later, represent:

- Purchase and replacement of vehicles - ambulances and other medical vehicles renewal expenditure
- Building refurbishment - funding for the upkeep and enhancement of the charity's properties and infrastructure
- Business processes and systems - funding to upgrade IT infrastructure and systems
- Fundraising - funding for investment in fundraising activity.

### 26. Revaluation reserve

	2018 £m	2017 £m
The revaluation reserve comprises the following elements, which are held within unrestricted funds		
Investment property	13.0	14.6
Operational free reserves (excluding investment property)	2.1	3.7
	<b>15.1</b>	<b>18.3</b>

The movement in the revaluation reserve of £3.2m during the year from £18.3m to £15.1m, shown within unrestricted funds, represents the unrealised decrease in 2018 in the fair value of the investment property of £1.6m and the unrealised loss on unrestricted securities of £1.7m, less the £0.1m impact on the revaluation reserve of disposals of unrestricted securities.

### 27. Reconciliation of net income to net cash provided by operating activities

	2018 £m	2017 £m
<b>Net income</b>	<b>(7.5)</b>	<b>5.0</b>
<b>Adjustments for:</b>		
Net gain on disposal of tangible fixed assets	(1.3)	(4.2)
Losses/(gains) on investments	3.2	(2.7)
Dividends, interest and rents from investments	(1.3)	(1.2)
Depreciation	4.0	3.8
Decrease in stocks	0.4	0.4
Decrease/(increase) in debtors	0.9	(0.2)
Increase in creditors	0.5	0.2
<b>Net cash provided by operating activities</b>	<b>(1.1)</b>	<b>1.1</b>

### 28. Analysis of cash and cash equivalents

	2018 £m	2017 £m
Cash in hand	7.0	8.4
Notice deposits (less than three months)	-	-
<b>Total cash and cash equivalents</b>	<b>7.0</b>	<b>8.4</b>



# Notes to the accounts

For the year ended 31 December 2018, continued

## 29. Financial instruments

	2018 £m	2017 £m
<b>Carrying amount of financial assets</b>		
Measured at amortised cost (comprising trade debtors, cash and cash equivalents and current asset investments)	31.9	36.2
Instruments measured at fair value through SOFA (comprising investments)	16.2	17.0
	<b>48.1</b>	<b>53.2</b>

### Carrying amount of financial liabilities

Measured at amortised cost (comprising trade creditors, lease creditors, holiday pay and accruals)	13.5	14.7
	<b>13.5</b>	<b>14.7</b>

## 30. Investment in subsidiary company

Support St John Limited, which is a non-charitable trading company, is wholly owned by St John Ambulance by virtue of the fact that St John Ambulance is its sole member. Support St John Limited carries out activities that are not compatible with the charitable status of St John Ambulance. Taxable profits are transferred to St John Ambulance under gift aid. Support St John Limited is a company limited by guarantee and does not have any share capital. St John Ambulance has undertaken to contribute an amount not exceeding £10 on a winding up of Support St John Limited.

A summary of the results of Support St John Limited for the year and the aggregate amount of its assets, liabilities, and funds is shown below.

	2018 £'000	2017 £'000
Income	316	318
Expenditure	(306)	(253)
Operating profit	10	65
Taxation payable	-	-
Gift aid	(10)	(65)
<b>Retained profit</b>	<b>-</b>	<b>-</b>
Assets	117	194
Liabilities	(117)	(194)
<b>Funds</b>	<b>-</b>	<b>-</b>

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 31. Associated charities

Through the Priory, St John Ambulance is associated with the Order together with the other priories throughout the world and, on behalf of the Priory, St John Ambulance contributes to the annual running costs of the Order in the proportion of the membership of the Priory relative to the membership of all the priories. In 2018, on behalf of the Priory, St John Ambulance contributed £0.3m to the Order of St John and other priories (2017: £0.3m).

Through the Priory, St John Ambulance is also associated with the Eye Hospital. In 2018 £0.2m was contributed to the support of the Eye Hospital (2017: £0.2m).

### 32. Pension scheme

#### *Pension arrangements*

St John Ambulance participates in the Growth Plan, Unitised Ethical Plan ('UEP') and Flexible Retirement Plan ('FRP'), all of which are multi-employer pension plans provided by TPT Retirement Solutions.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee, and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Growth Plan Series 1, 2 and 3 are defined benefit schemes which provide benefits to some 1,300 non-associated participating employers. It is not possible for the charity to obtain sufficient information to identify the share of underlying Growth Plan assets and liabilities belonging to individual participating employers. Growth Plan assets are co-mingled for investment purposes and benefits are paid from the total Plan assets. Therefore, the Growth Plan is accounted for as a defined contribution scheme.

Membership of the UEP, the FRP or Growth Plan Series 4, all of which are defined contribution schemes, is made available to new employees. Employees, including those who are in the Growth Plan Series 1, 2 and 3, which are closed to new entrants, have the option to switch in the future to any of the three schemes that are currently available to new employees.

#### *Membership and pension contributions*

St John Ambulance paid contributions to all three plans at rates between 2% and 10% of the qualifying pensionable salary during the year. Members paid contributions generally between 1% and 5% during the year. Auto-enrolment of all employees into a pension plan came into effect from 1 October 2013. As at the year end, there were 1,291 employees (2017: 1,413) of St John Ambulance who were members of the available TPT Retirement Solutions plans, including 1,185 in the Growth Plan (2017: 1,276).

The total pension contributions payable to TPT Retirement Solutions in relation to 2018, including employee contributions, were £2.6m (2017: £2.6m). The amount owing to TPT Retirement Solutions at 31 December 2018 was £0.3m (2017: £0.2m).

#### *Actuarial valuations*

The Growth Plan is funded and is not contracted out of the state scheme. The plan trustee commissions a full actuarial valuation of the Growth Plan every three years, with updates in between. The purpose of the actuarial valuation is to determine the funding position of the Growth Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Growth Plan give the trustee the power to require employers to pay additional contributions to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as technical provisions.

A full actuarial valuation of the Growth Plan was performed as at 30 September 2017 by a professionally qualified actuary using the Projected Unit Method. The financial assumptions underlying the valuations were as follows:

	2017 valuation % pa	2016 update % pa	2015 update % pa	2014 valuation % pa	2013 update % pa
Investment return pre-retirement	3.1	2.6	3.6	4.2	4.6
Investment return post-retirement	2.3	1.7	2.7	3.3	4.1
Rate of price inflation - Retail Prices Index (RPI)	3.4	3.0	3.0	3.1	3.2
Rate of price inflation - Consumer Prices Index (CPI)	2.5	2.1	2.1	2.2	2.5

In determining the investment return assumptions, the trustee considered actuarial advice relating to the probability of achieving particular levels of investment return. The trustee has incorporated an element of prudence into the pre- and post-retirement investment return assumptions, such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

# Notes to the accounts

## For the year ended 31 December 2018, continued

### 32. Pension scheme, continued

#### Actuarial valuations, continued

The scheme actuary has prepared a full actuarial valuation as at 30 September 2017. The fair values of the Growth Plan's assets as at the valuation date of 30 September 2017, as well as for previous years, are shown in the following table:

	2017 valuation £m	2016 update £m	2015 update £m	2014 valuation £m	2013 update £m
Assets	795	901	857	793	772
Technical provisions (past service liabilities)	(926)	(1,052)	(996)	(970)	(927)
Shortfall of assets compared to the value of liabilities	(131)	(151)	(139)	(177)	(155)
Funding level	85.8%	85.7%	86.1%	81.8%	83.2%

The actuarial valuation as at 30 September 2017 is the latest available. The next full actuarial valuation will be carried out as at 30 September 2020.

#### Deficit contributions

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

A full actuarial valuation of the scheme was carried out at 30 September 2014. This valuation showed a funding shortfall of £177m. To eliminate this funding shortfall, the trustee asked participating employers to pay additional contributions to the scheme, calculated at £13.0m, increasing by 3% per annum on 1 April each year, from 1 April 2016 to 31 March 2028.

Subsequently, a full actuarial valuation of the scheme was carried out at 30 September 2017. This valuation showed a funding shortfall of £131m. To eliminate this funding shortfall, the trustee has asked participating employers to pay additional contributions to the scheme, calculated at £11.2m, increasing by 3% per annum on 1 April each year, from 1 April 2019 to 31 March 2025. Unless a concession has been agreed with the trustee the term to 31 January 2025 applies.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Growth Plan Series 1 and Series 2 scheme liabilities.

The additional contributions required from St John Ambulance were initially levied at £345,000 per annum from 1 April 2016, increasing at 3% per annum. From 1 April 2018 the amount payable was £366,000 per annum. From 1 April 2019 the amount payable is £388,000 per annum. Payments continue, increasing at 3% per annum, until 31 January 2025.

Where the scheme is in deficit and the participating employer has agreed to a deficit funding arrangement, the employer recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions made under the agreement that relates to the deficit. The present value is calculated using the discount rate disclosed in the assumptions below. The unwinding of the discount rate is recognised as a finance cost. Further details of the liability are also given in note 33.

#### Cessation of membership

The Growth Plan is classified as a 'last man standing' arrangement. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

In the event of a complete withdrawal from the Growth Plan by St John Ambulance or if TPT Retirement Solutions were wound up, St John Ambulance would have a legal liability to pay a share of the accumulated deficit in the Growth Plan, as calculated on an annuity purchase basis. The current contingent liability for St John Ambulance, based on the actuarial valuation at 30 September 2017, is estimated at £6.5m (30 September 2016: £7.7m). This liability is affected by changes in the fair value of the Growth Plan assets due to stock market fluctuations. There is no intention on the part of St John Ambulance to withdraw from the Growth Plan.

### 33. Pension contributions liability

#### (i) Total pension contributions liability

	2018 £m	2017 £m
Pension contributions payable on salaries	0.3	0.2
Present value of provision relating to additional pension	2.6	3.0
	<b>2.9</b>	<b>3.2</b>
Amounts falling due within one year (see note 19)	0.7	0.6
Amounts falling due after more than one year (see note 20)	2.2	2.6
	<b>2.9</b>	<b>3.2</b>



# Notes to the accounts

## For the year ended 31 December 2018, continued

### 33. Pension contributions liability, continued

#### (ii) Reconciliation of opening and closing provisions relating to additional pension contributions

	2018 £m	2017 £m
Provision at 1 January	3.0	3.3
Unwinding of the discount factor (interest expense)	-	-
Deficit contribution paid	(0.4)	(0.3)
Re-measurements – impact of any change in assumptions	-	-
<b>Provision at 31 December</b>	<b>2.6</b>	<b>3.0</b>

#### (iii) Income and expenditure impact

	2018 £m	2017 £m
Interest expense	-	-
Re-measurements – impact of any change in assumptions	-	-
<b>Total cost recognised in Statement of Financial Activities</b>	<b>-</b>	<b>-</b>

(iv) Assumptions	31 December 2018	31 December 2017	31 December 2016	31 December 2015	31 December 2014
	% per annum	% per annum	% per annum	% per annum	% per annum
Discount rate used	1.75	1.39	1.44	2.50	1.99

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

#### (v) Deficit contributions schedule

The following schedule details the deficit contributions agreed between St John Ambulance and the Growth Plan at each year end period:

<b>Amounts payable in each future year as at the balance sheet date</b>	2018 £'000	2017 £'000
Year 1	374	363
Year 2	385	374
Year 3	397	385
Year 4	409	397
Year 5	421	409
Year 6	434	421
Year 7	334	434
Year 8		334

St John Ambulance must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account (the unwinding of the discount rate as a finance cost in the period in which it arises).

It is these contributions that have been used to derive the balance sheet liability.

# Notes to the accounts

## For the year ended 31 December 2018, continued

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### 34. Parent undertaking

St John Ambulance is a wholly-owned subsidiary of The Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem ('the Priory').

The consolidated accounts of the Priory may be obtained from:

St John Ambulance Headquarters, 27 St John's Lane, Clerkenwell, London, EC1M 4BU.

### 35. Related parties

Advantage has been taken of the exemption given by section 33 of the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) from disclosing transactions and balances with wholly-owned subsidiaries.

# Notes to the accounts

For the year ended 31 December 2018, continued

## 36. Comparative results for the year ended 31 December 2017, by type of fund

	Note	Unrestricted funds £m	Restricted and endowment funds £m	2017 Total £m
<b>Income and endowments from:</b>				
Income from donations and legacies	2	12.8	3.0	15.8
<b>Income from charitable activities:</b>				
<b>Delivering first aid:</b>				
First aid provision and youth development		7.1	-	7.1
Ambulance and transport services		14.6	-	14.6
Community support programmes		1.4	0.1	1.5
<b>Equipping the public:</b>				
Training		43.8	-	43.8
First aid products		12.2	-	12.2
Other charitable activities		0.1	-	0.1
<b>Total income from charitable activities</b>	3	79.2	0.1	79.3
<b>Income from other trading activities</b>	4	1.0	-	1.0
<b>Investment income</b>	5	1.2	-	1.2
<b>Other income</b>				
Net gain on disposal of assets		4.2	-	4.2
Other income		0.3	-	0.3
<b>Total other income</b>		4.5	-	4.5
<b>TOTAL INCOME</b>		<b>98.7</b>	<b>3.1</b>	<b>101.8</b>
<b>Expenditure on:</b>				
<b>Total expenditure on raising funds</b>	7	9.4	-	9.4
<b>Expenditure on charitable activities:</b>				
<b>Delivering first aid:</b>				
First aid provision and youth development		12.5	0.6	13.1
Ambulance and transport services		26.8	-	26.8
Community support programmes		3.8	0.1	3.9
<b>Equipping the public:</b>				
Training		32.7	-	32.7
First aid products		11.5	-	11.5
Other charitable activities		2.0	0.1	2.1
<b>Total resources expended on charitable activities</b>	7	89.3	0.8	90.1
<b>TOTAL EXPENDITURE</b>	7	<b>98.7</b>	<b>0.8</b>	<b>99.5</b>
<b>Gains on investments</b>	9	2.5	0.2	2.7
Transfers between funds	25	1.1	(1.1)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>3.6</b>	<b>1.4</b>	<b>5.0</b>
Fund balances at 1 January 2017		122.7	3.0	125.7
<b>FUND BALANCES AT 31 DECEMBER 2017</b>	25	<b>126.3</b>	<b>4.4</b>	<b>130.7</b>



# Royal patrons, directors, management and committees

## Royal Patrons

HM The Queen	Sovereign Head of the Order of St John
HRH The Duke of Gloucester	Grand Prior
HRH The Princess Royal	Commandant in Chief (Youth) St John Ambulance
HRH The Countess of Wessex	Grand President

## Board of Directors

The directors who are listed below serve as trustees of St John Ambulance and are legally responsible for governance and management of the charity.

<b>Surgeon Rear Admiral Lionel Jarvis CBE KStJ DL MB BS FRCR</b> Chair*	2,3	
<b>The Very Revd. Nicholas Frayling CStJ</b> Dean*	3	
<b>Mrs A Cable MBE DStJ DL</b> Chief Volunteer*	2	
<b>Mr M Messinger LVO KStJ QPM DL</b> Chancellor*	2,3	
<b>Ms M Coleman</b>	5	
<b>Ms A Jarvie, CBE OStJ</b>	1	until 31 December 2018
<b>Mr M Mansigani</b>	2, 4	
<b>Ms J Mee MStJ</b>	2	
<b>Mr M Patten</b>		until 24 June 2018
<b>Professor Sir Keith Porter</b>		appointed 24 June 2018
<b>Dr D Reeves</b>	5	
<b>Mr D Springthorpe MStJ</b>	1,4	appointed 24 June 2018
<b>Mr M Stevenson-Dodd</b>		

Company Secretary

<b>Dr G Maydon OStJ JP PhD</b>	Resigned 30 April 2018
<b>Mr R Sims</b>	Appointed 8 May 2018; resigned 8 March 2019

\* Also a trustee of the Priory.

1. Member of Audit and Risk Committee
2. Member of Remuneration Committee
3. Member of Nominations Committee
4. Member of Finance Committee
5. Member of Fundraising Committee

# Royal patrons, directors, management and committees

## Nominations Committee

### Chair – Surgeon Rear Admiral Lionel Jarvis CBE KStJ DL MB BS FRCR

Ms M Boland CStJ  
Mr J Dempster OStJ CB  
The Very Revd. Nicholas Frayling CStJ  
Mr P Herbage MBE CstJ  
Ms S Lowndes-Jones  
Mrs E Mackinlay MBE DStJ  
Mr M Messinger LVO KStJ QPM DL  
Ms S Morgan

## Audit and Risk Committee

### Chair – Mr D Springthorpe MStJ

Chair – Ms A Jarvie CBE OStJ  
Mr S Frost CStJ  
Mr S Hargrave  
Mr J Hayes  
Mr J N Rose  
Ms L Smith  
Ms V Storey  
Mr N Wood, MBE

appointed as Chair 1 January 2019 (appointed to Committee 24 June 2018 )

until 31 December 2018

appointed 24 June 2018

appointed 24 June 2018

until 31 December 2018

appointed 24 June 2018

## Remuneration Committee

### Chair – Ms J Mee MStJ

Mrs A Cable MBE DStJ DL  
Surgeon Rear Admiral Lionel Jarvis CBE KStJ DL MB BS FRCR  
Mr M Mansigani  
Mr M Messinger LVO KStJ QPM DL

## Finance Committee

### Chair – Mr S Frost CStJ

Ms R Foreman  
Mr M Gibbons CStJ  
Mr M Mansigani  
Mr J Macnamara MStJ TD JP  
Mr D Springthorpe MStJ

The inaugural meeting of the committee was held on 21 November 2018.

# Royal patrons, directors, management and committees

## Fundraising Committee

### Chair – Mr N Wood, MBE

Ms M Coleman

Dr D Reeves

The inaugural meeting of the committee was held on 18 January 2019.

## Clinical Committee

### Chair – Professor Sir Keith Porter

Professor I Greaves

Dr D Reeves

Ms V Storey

Mr A Wapling

Mr R Webber

The inaugural meeting of the committee was held on 2 April 2019.

## Executive Leadership Team

**Mr M Houghton-Brown**, Chief Executive, appointed 2 January 2018

**Ms S Duthie**, Director of Priory Affairs, appointed 5 November 2018

**Mr S Foster**, Director of People and Organisation

**Mr M Fox**, Director of Training and Enterprise

**Ms J T Keaney**, Director of Finance and Corporate Services

**Mr R Lee**, Chief Operating Officer, appointed 8 November 2018

**Ms R Mauger**, Director of Fundraising, appointed 28 August 2018

**Mr J Radford**, Director of Strategy and Communications, appointed 3 April 2018



# Principal places of business and advisers

## The Priory of England and the Islands

St John's Gate  
St John's Lane  
Clerkenwell  
London  
EC1M 4DA

**020 7324 4000**  
**stjohnengland.org.uk**

## St John Ambulance

27 St John's Lane  
Clerkenwell  
London  
EC1M 4BU

**020 7324 4000**  
**sja.org.uk**

## Support St John Limited

27 St John's Lane  
Clerkenwell  
London  
EC1M 4BU

## Auditors

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2A 1AG

## Bankers

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

## Investment managers

BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue  
London  
EC2N 2DL

## Property advisers

Daniel Watney LLP, Chartered Surveyors  
165 Fleet Street  
London  
EC4A 2DW

## Solicitors

Bircham Dyson Bell  
50 Broadway  
London  
SW1H 0BL

## Insurance brokers

Sydney Packett & Sons Limited  
Salts Wharf  
Ashley Lane  
ShIPLEY  
BD17 7DB

## Pension fund

TPT Retirement Solutions  
Verity House  
6 Canal Wharf  
Leeds  
LS11 5BQ



**St John Ambulance**

27 St John's Lane  
Clerkenwell  
London  
EC1M 4BU

**0202324 4000**

**[sja.org.uk](https://www.sja.org.uk)**