

St John
Ambulance



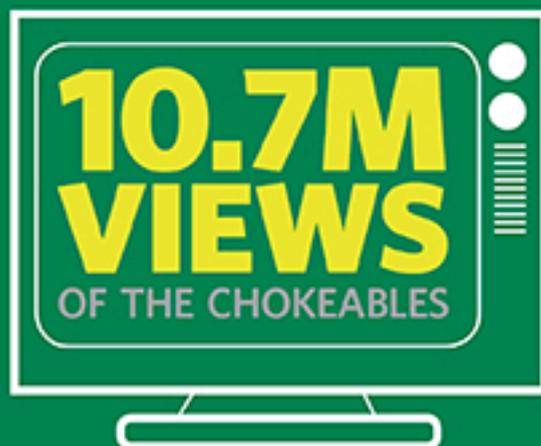
REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015



2015 IN NUMBERS

FIRST AID SKILLS IN SOCIETY



3.4 MILLION +
VISITS TO OUR WEBSITE

1,000,000+
PEOPLE VIEWED OUR
FIRST AID ADVICE VIDEOS



46 PARENTS SAID THEY
KNEW HOW TO SAVE
THEIR BABY FROM CHOKING AS
A RESULT OF OUR CAMPAIGN

31,000 ADULTS WERE TRAINED
ON COMMUNITY FIRST AID COURSES



FIRST AID TAUGHT IN SCHOOLS

190,000

STUDENTS WATCHED THE
BIG FIRST AID LESSON LIVE

8,500

PUPILS IN 98 SCHOOLS
RECEIVED FIRST AID TRAINING
FROM ST JOHN AMBULANCE THANKS TO
OUR PARTNERSHIP WITH BARCOCK

140,000+

YOUNG PEOPLE RECEIVED
FIRST AID TRAINING AT SCHOOL

FIRST AID IN THE COMMUNITY

1,000,000+

HOURS OUR VOLUNTEERS
GAVE TO PROVIDE
FIRST AID AT EVENTS



30,000+



PUBLIC EVENTS
WHERE WE PROVIDED
FULLY TRAINED AND EQUIPPED PERSONNEL

£110,500+

WAS RAISED THROUGH OUR
DONATE FOR DEFIBS
FUNDRAISING APPEAL
- THE EQUIVALENT TO

110 DEFIBRILLATORS



FIRST AID IN THE WORKPLACE

262,800

PEOPLE TRAINED THROUGH THE WORKPLACE



ACTIVITIES FOR YOUNG PEOPLE

18,000

NEET YOUNG PEOPLE WERE
TRAINED IN FIRST AID





SHARING FIRST AID SKILLS THROUGHOUT SOCIETY

Campaigns that advocate and celebrate first aid and share first aid skills widely

FIRST AID TAUGHT IN SCHOOLS

More resources, more guidance, more hands-on support to make first aid teaching accessible



PROVIDING FIRST AID IN COMMUNITIES

Thousands of first aiders giving help where it's needed



RESILIENT COMMUNITIES

Large-scale emergency relief when it really counts



WORKING IN PARTNERSHIP WITH THE NHS

Fully trained and equipped pre-hospital care around the clock

PEOPLE TRAINED IN THE WORKPLACE

Straightforward, high-quality advice and training for organisations of all sizes



ACTIVITIES FOR YOUNG PEOPLE

Vibrant and rewarding programmes to create a new generation of life savers

FIRST AID EVERYWHERE

ANNUAL REPORT AND ACCOUNTS

for the year ended 31 December 2015

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REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015

Introduction

St John Ambulance ('the charity') 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 ('the Priory'). St John Ambulance and its wholly-owned subsidiary, Support St John Limited, are together referred to as 'St John'.

The directors, who are the trustees of the charity, present their annual report and accounts for the year ended 31 December 2015. In preparing this report the directors have complied with the Companies Act 2006 and the updated 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') and is effective for accounting periods beginning on or after 1 January 2015 ('the Charities SORP FRS 102').



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Objectives and activities

Charitable objects

The object of St John Ambulance is the relief of sickness and the protection and preservation of public health. St John's vision is that 'everyone who needs it should receive first aid from those around them. No one should suffer for the lack of trained first aiders'.

Charitable activities

St John Ambulance achieves its charitable objects through the following activities:

- Training of the public in first aid, with emphasis on those sections of the community where there is greatest need
- Provision of first aid, pre-hospital care and assistance at public events and in local communities
- Development of young people, both through St John Ambulance programmes for young people and through first aid training in schools
- Provision of transport in support of the statutory ambulance service, in times of emergency and in circumstances where St John Ambulance can meet community need.



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Objectives and activities, continued

St John Ambulance also:

- campaigns on issues directly relevant to its mission and vision
- supports the achievement of the Order of St John's worldwide objectives, in particular contributing to the St John of Jerusalem Eye Hospital ('the Eye Hospital') in Jerusalem, which is an independent charity with its own board of trustees.

Public benefit

The Charity Commission for England and Wales has issued general guidance on the criteria it will use to determine whether or not a charity provides public benefit, as well as supplementary sector-specific guidance for religious, educational, poverty-relieving and fee-charging charities. 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, as outlined in the section of this report dealing with achievements and performance.

The directors have regard to the Charity Commission's requirements when reviewing the charity's aims and objectives, and in planning future activities.



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Objectives and activities, continued

Strategic aims

St John Ambulance's strategic aims comprise four 'pillars':

Increase charitable output

- Increase the number of adults and young people able to deliver first aid
- Grow the number of young people participating in St John Ambulance's youth programmes, extending the reach of these to disadvantaged groups
- Increase awareness of the importance of first aid, encouraging people to acquire first aid skills
- Maximise St John Ambulance's impact through providing first aid at public events.

Provide exceptional quality standards

- Deliver core services consistently and reliably every time
- Improve the service user experience, increasing satisfaction levels
- Operate safe, effective clinical practices
- Be a regulatory compliant and efficient organisation.

Maintain a sustainable financial position

- Set and achieve appropriate financial budgets, maintaining the required level of free reserves
- Ensure that major operating assets are fit for purpose and cost-effective.

Develop people and infrastructure

- Create a highly collaborative culture for our volunteers and employees based on respect and trust supported by high quality leadership
- Develop, progress and engage St John Ambulance's people through clear communication
- Maintain reliable systems and technology to support the charity.



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, *continued*

Objectives and activities, *continued*

Objectives for 2015

During 2015, key projects to assist in the delivery of St John Ambulance's charitable outputs were planned to be:

First aid training

- Implement the new youth engagement strategy, with particular emphasis on developing our way of working with schools and other organisations in order to move towards our target of training two million young people per year in first aid
- Develop our suite of community training courses, including enhancement of the training we provide for carers.

First aid delivery

- Continue to grow our ambulance services activity, while increasing the effectiveness of delivery and utilisation of resources
- Update our strategy regarding first aid provision at public events with a view to ensuring a consistently high quality of service.

Young people

- Working with our partner organisations, roll out the RISE (Respect, Inspire, Support and Empower) programme across England and other parts of the UK, using the grant funding from the Uniformed Youth Social Action Fund and elsewhere.

Organisational issues

- Move to a cloud-based IT infrastructure for the whole charity, so as to provide an improved service to users while also improving reliability, resilience and security
- Develop the next phase of our longer-term organisational strategy to increase the impact of our first aid activity
- Begin a planned review of the regional and central structures, including related governance arrangements, introduced as part of the project of transformation carried out across 2012 and 2013.

Progress against each of these main objectives is referred to in the overview of the charity's achievements and performance during 2015 set out below.



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance

SHARING FIRST AID SKILLS THROUGHOUT SOCIETY

Through our campaigns we aim to advocate, educate and celebrate the importance of first aid in our society. And whenever we can, we also try to teach people a first aid skill.

In January 2015, we launched our award-winning public awareness campaign, *The Chokeables*. The campaign was based on research that told us over 40% of parents had seen their baby choke, and that almost four out of five parents wouldn't know what to do in this situation. Our response was to create a short, memorable video - featuring the voices of David Walliams, David Mitchell, Johnny Vegas and Sir John Hurt - that showed people how to help a choking baby. In *The Chokeables*, the celebrities take on the characters of animated objects that could potentially choke babies: a small princess toy, a pen lid, a jelly baby and a peanut. Since the launch, we've been contacted by 46 parents who said they knew how to save their baby from choking as a direct result of our campaign, and by the end of the year, there had been 10.7 million online views of the video.

Our annual awareness week, *Save a Life September* celebrated its fifth year, continuing our drive to show just how important it is to know first aid. We held demonstrations in over 300 locations, including

shopping centres, schools, markets and other community spaces. We also produced a short film to support the week's activities featuring comedian Rufus Hound as a hapless teacher in desperate need of first aid training. Throughout the course of the week, we taught easy-to-follow first aid techniques for choking, severe bleeding, recovery position, heart attack and CPR, giving people up and down the country the skills to be the difference between a life lost and a life saved.

Beyond our campaigns, we reached more than 31,000 adults through community first aid courses, secured 3,370 pieces of press coverage (online, regional, national and consumer) that directly educated or signposted to first advice and we had over 3.4 million visits to our website. Moreover, there were 130,000 downloads of our first aid apps, which provide people with first aid advice at their fingertips and we distributed in excess of 670,000 free first aid guides. In an effort to make our first aid advice videos more engaging and accessible to the general public, we refreshed their content and visual style. Subsequently, over one million people have now viewed our first aid advice videos.

Another new initiative for 2015 was our first aid



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

FIRST AID EVERYWHERE

Faversham mum backs first aid video

A 34-year-old mum of two who lives near Faversham is urging parents to watch St John Ambulance's *The Chokeables* video after her 10-month-old baby choked on food.

Megan Perkins knew how to help her daughter Flora after seeing the advert on social media. She's one of 46 parents to credit *The Chokeables* with teaching them the techniques to save a child who's choking.

'I was having lunch with Flora and my son Barnaby. Flora was enjoying some soft broccoli and got some stuck, starting to cough. I gave her a tap on the back and the broccoli appeared to dislodge itself.'

However, a little later Flora started to turn blue and wasn't making any noise, as part of the vegetable had remained.

'I whisked her out of her highchair and followed the instructions I'd seen on *The Chokeables* advert - giving her three firm back slaps, which thankfully removed the obstruction. Flora finished her meal without further incident.'

Megan says she felt more confident having watched *The Chokeables*: 'I saw the advert on Facebook and it definitely helped me to stay calm and take the correct action.'

'Seeing your baby choke is a very scary experience, but just taking 40 seconds of your time to watch *The Chokeables* can give you the skills needed to save a life. It's invaluable.'



training for carers package. This allowed us to train over 200 unpaid carers and thanks to research carried out with young carers over the year, we will now be able to develop a young carers package in 2016.

In November, we launched our fundraising appeal, *Donate for Defibs*, asking people to help raise money for lifesaving Automated External Defibrillators (AEDs). AEDs are used to treat people who have suffered a cardiac arrest, improving a person's chances of survival by as much as 70% when used within three minutes. The campaign had a fantastic response and has so far raised more than £110,500 - the equivalent to 110 AEDs, to be used where they are needed most.

In 2015, we continued to share first aid skills throughout society, reaching more people online, through the media and in person.

OVER 40%
OF PARENTS HAVE SEEN THEIR
BABY
CHOKES

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

FIRST AID TAUGHT IN SCHOOLS

In schools all over the country, work has continued apace to build a generation of life savers.

In 2015, more than 140,000 young people received first aid training at school, delivered by our expert trainers. We consult with teachers and provide them with the tools they need to encourage their students to learn first aid, including making a range of free educational materials available for use in the classroom. In the last 12 months, 32,000 of these resources were downloaded by teachers and based on an average class size of 24* it is likely that there have been over 750,000 interactions using these resources.

*Based on research conducted by OECD 2014.

Using funding received from the Department for Education, our school trainers have trained over 13,000 young people and generous support from Babcock International has enabled us to train 8,500 school children in the south west and south east. We have also engaged with and supported many community-based local initiatives including Restart a Heart Day, which was established to teach members of the public how to help save the life of someone who has suffered a cardiac arrest. And in the capital, our Saving Londoners' Lives programme has equipped teachers in London to deliver first aid training to a further 15,000 school children.

The Big First Aid Lesson continued to expand its

FIRST AID EVERYWHERE

Bethany Simpson: life saver

A 10-year-old girl from Cornwall has saved her stepdad's life using first aid training she learned from St John Ambulance at school.

Bethany Simpson, a pupil at St Columb Major Academy, delivered cardio-pulmonary resuscitation (CPR) on 41-year-old Robert Hoskins when he collapsed and stopped breathing on 15 March.



Robert, and Bethany's mum, Jane Simpson, had nodded off while watching TV in bed.

Jane woke and noticed Robert's breathing had become shallow, erratic and laboured.

She called 999 and followed the operator's advice, including moving him onto his side but when Robert stopped breathing completely, Jane completely froze.

'Fortunately, Bethany heard me scream, came into the bedroom and said, "It's ok, mum, I know what to do". She took charge.'

Bethany's chest compressions kept Robert alive until the paramedics arrived.

'This just shows why it's important to teach everyone first aid - especially in schools,' said Jane.

While recovering at home, Robert said: 'I would like to sincerely thank St John Ambulance for teaching the children first aid. If it wasn't for them and Bethany, I wouldn't be here.'

He and Jane believe teaching first aid should be compulsory in all schools: 'Every child should be taught how to save a life.'

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued



reach in 2015. Our free annual one-hour first aid session was streamed live into classrooms across the country and was watched by over 190,000 students. We also introduced new free online lessons for each term of the school year, designed to teach different first aid topics in 10-minute videos based on real life scenarios. The autumn term lessons were seen by over 10,000 students in 2015.

We want every child to have access to first aid training and so in 2015 we joined forces with the British Heart Foundation, British Red Cross and other partners to develop the Every Child a Lifesaver campaign, in support of Teresa Pearce MP's Emergency First Aid Education Bill. The campaign represented our shared vision for first aid education to be offered in

every state-funded secondary school. Over 14,000 supporters wrote to their MP to ask them to back the Bill but despite cross party support, the Bill was talked out. Although this was a disappointing result, we will continue to campaign to make sure no child is denied the chance to learn life saving skills.

Through our work in schools, we are committed to creating a generation of life savers, and our achievements in 2015 are a testament to that.

**OUR SHARED VISION FOR
FIRST AID
EDUCATION
IN EVERY SCHOOL**

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

ACTIVITIES FOR YOUNG PEOPLE

In 2015, we continued to provide a range of opportunities for young people to learn the skills to save a life through our programmes. We run Badgers for the under 10s, Cadets for 11 to 17 year olds, LINKS in colleges and universities, and specialist programmes aimed at young people who aren't in education, employment or training. We also worked on our strategy for the coming five years, based on key priorities. These are: to create vibrant and rewarding programmes and opportunities, provide trained youth leaders and supporting resources, provide young people with a voice within our charity and support young people to make future choices both within and outside the organisation.

We are particularly excited about our work in peer education and leadership, and with young first aiders. In 2015, over 300 Cadets completed the courses designed to equip them with the skills to lead

VIBRANT AND REWARDING PROGRAMMES AND OPPORTUNITIES

teams and take on leadership roles within St John Ambulance and the wider community. In addition to this, nearly 4,000 Cadets completed first aid training to allow them to support and deliver first aid at events. In 2016, we will launch our new peer education package.

The RISE (Respect, Inspire, Support and Empower) project continues to grow and teach first aid to young



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

FIRST AID EVERYWHERE

St John Ambulance National Cadet of the Year hailed a hero after life saving drama



The St John Ambulance National Cadet of the Year Anton Cornibert showed why he earned the title after saving a man's life on the way to an event in his honour.

Anton, who is 18 and from Notting Hill in London, was going to the party at Victoria Embankment on 18 June when he noticed a man collapsed on the pavement by the river.

A crowd had gathered around the patient, a runner, who was being assessed by a Patient Transport Attendant (PTA) from a private ambulance company.

At the PTA's request, Anton performed cardiopulmonary resuscitation (CPR) on the man, who wasn't breathing, keeping it up non-stop for five minutes until paramedics from the London Ambulance Service arrived.

Anton continued with chest compressions while the paramedics delivered an electric shock to the patient's heart using an automated external defibrillator. The man started breathing again while being transferred to the ambulance.

"A paramedic said that if I hadn't started CPR the patient was likely to have died," said Anton, who became National Cadet of the Year in April.

"It was a humbling feeling realising I had actually prevented a patient from dying.

'I did what anyone from St John Ambulance would have done in the circumstances. Our volunteers save many lives each year.'

people aged 14-25 who are not in employment, education or training. This year, we ran 'Stick-it' sessions, focused on treating wounds that may be caused by knife or gun crime. Of the 18,000 young people trained through RISE in 2015, just under half said they had shared their first aid knowledge with others in the last 12 months and nearly a third had used their first aid to help others. Another innovation in 2015 came through our work with the Amy Winehouse Foundation (north west). Our youth development officers worked with this community-based local initiative to train more than 1,100 young people.

In the autumn, we took some of our young people to the major political party conferences, to talk about the way in which they have used their first aid skills. Six delegates successfully persuaded the British Youth Council to back compulsory first aid teaching in primary and secondary schools.

In terms of partnerships with other organisations to further our work with young people, we became involved with the National Citizens Service, and we work with Youth United (a group of uniformed organisations for young people) and Step up to Serve, the national youth volunteering initiative. We collaborate with other groups and organisations whenever possible, so thousands more young people have access to first aid training.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

PEOPLE TRAINED IN THE WORKPLACE

We train more employees from more businesses, and equip more workplaces, than any other first aid organisation. Every year we hold more than 20,000 courses at over 240 venues, training over 262,000 people in businesses across the country.

We make meeting regulatory first aid, fire safety and health and safety obligations straightforward for businesses.

Our Emergency First Aid at Work and Fire Marshal training courses were once again the most popular courses, with both seeing an increase in numbers over the last 12 months.

We are increasingly aware that workplace first aiders

have other roles in their personal lives, as parents, carers and community leaders. So in 2015, we delivered demonstrations particularly relevant to the parents among our workplace first aid trainees, on the topic of first aid for babies. The people we trained can now intervene in a wider range of incidents than their statutory training would allow.

In a sign of our commitment to small and medium size enterprises (SMEs), we undertook research with the thinktank CentreForum. Their investigations into SME attitudes to first aid revealed SMEs highly value first aid because staff injuries can have a particularly disproportionate effect on productivity and profits.



FIRST AID EVERYWHERE Westbury's first class first aider

A Great Western Railway manager from Wiltshire put his workplace first aid training to good use in two separate and terrifying scalding incidents.

St John Ambulance experts believe Nick Wakeford's actions saved a baby and later a young woman from more serious injuries when they were scalded by hot drinks.

Nick, an Area Operations Manager for GWR based at Westbury station, witnessed a mother's horror when coffee accidentally spilled over her baby's head.

'It was frightening for her,' he said: 'You can imagine the mum's panic and the distress to the baby - she was screaming in pain.'

Fortunately, Nick had recently completed a refresher course in first aid at St John Ambulance's training centre in Bath.

'I did everything I was trained to do and cooled the baby's injury down as quickly as possible,' said Nick.

'We have since had a letter to say the baby was fine and there was no scarring, so that's good news.'

Just three weeks later, Nick used his first aid skills again when a dancer travelling to London spilled hot tea in her lap.

Nick cooled down her scalded skin so she could continue her journey.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued



As a result of this, we have continued to refine the advice that we provide to organisations of all sizes so that they can comply with existing regulations. Much of that new material is already online, but we have also improved the service from our customer service centres. We have shared our findings with the Health and Safety Executive (HSE), and have been working with the HSE on ways in which even the smallest organisations can keep their employees and customers safe, often by pooling resources with neighbours. We also provided advice to the Department for Education on levels of paediatric first aid in nurseries.

COMMITMENT TO SMALL AND MEDIUM SIZE ENTERPRISES

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

PROVIDING FIRST AID IN COMMUNITIES

Our volunteers play a crucial role in delivering first aid in communities across the nation. We want to make sure help is available where it is needed most, like at public events. We provide fully trained and equipped personnel at more than 30,000 events every year. This ranges from small fetes and village fairs to major sporting fixtures and music festivals. In 2015 alone, our volunteers kept people safe by giving 1,000,000 hours of their time to offer first aid at events.

One such event in 2015, was the Rugby World Cup. Over the course of the tournament, 273 people were treated by our first aiders at games held at Twickenham, with 45 people taken to hospital. We had up to 63 volunteers on duty at each match and four ambulances on standby for hospital transfers. In addition, we also provided first aid at the five Olympic Stadium World Cup games, where 71 people were treated and three taken to hospital.

Our teams worked closely with the London Ambulance Service and the stadium's own medical team throughout the tournament to ensure the safety and wellbeing of nearly 800,000 people who attended the World Cup games.

Depending on the nature and scale of the event, we are able to provide paramedics, nurses and doctors as well as first aiders, in addition to ambulances, mobile

treatment centres and other support vehicles. For many events which are small or are themselves for a charitable purpose, we provide cover at no charge. For other events we charge the event organiser with a view to recovering the cost of provision. In all cases, there is no charge to members of the public who are treated. During 2015, we treated over 98,000 individuals mostly at events where we were providing first aid care.

**THE SAFETY
AND WELLBEING
OF NEARLY
800,000
PEOPLE**



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued



FIRST AID EVERYWHERE

Somerset cardiac arrest survivor thanks life savers

A Somerset man who suffered a cardiac arrest owes his life to quick-witted friends in the community and volunteers from St John Ambulance.

David Fradgley from Chard, who is 74-years-old, was at the West Somerset Railway Association Steam Rally, near Taunton, in early August, when he was taken ill suddenly.

Bystanders gave initial first aid while David's friend fetched volunteers from the nearby St John Ambulance tent to give medical assistance.

'It was the busiest point of the event and we already had a tent full of patients who we were treating, but as soon as we heard someone had collapsed, we knew we had an emergency on our hands,' said St John Ambulance volunteer Stuart Winter, who manages the charity's Taunton unit.

At the scene, he found David in the recovery position, but unconscious and not breathing.

Realising he was in cardiac arrest, Stuart and his fellow volunteers gave CPR and used a portable defibrillator to shock David's heart four times.

After around 10 minutes, an ambulance arrived and paramedics gave David a further two shocks using their equipment, before taking him to Musgrove Park Hospital.

'It just goes to show how important it is to have highly trained first aiders with the right equipment at big events,' said Stuart.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

WORKING IN PARTNERSHIP WITH THE NHS

Working with the NHS, we respond to 999 calls to give assistance before the NHS ambulance arrives, and we provide back-up to the ambulance service, either to support emergency operations or to provide patient transport.

We have hundreds of trained Community First Responders (CFRs). They operate from their own home using their own transport in local communities, and are dispatched by the NHS Ambulance Trust in response to 999 calls from the Emergency Operating Centres at the same time as an ambulance. As they live in the community, in many cases they arrive first and can manage the situation, often preventing the patient from

deteriorating and speeding their recovery. Where they arrive at the same time or just after an ambulance, they are another pair of trained hands on scene.

Over the last year, we have continued to expand our ambulance operation. The focus has been on diversifying our customer base and developing long term contract arrangements with Ambulance Trusts and other service users. In particular, we have increased our operations significantly in the north east and the north west. In these regions, our partnership with the local Ambulance Trust has increased the capacity we can provide to them on a regular basis.

FIRST AID EVERYWHERE

Steve Hudson: best Emergency Response Worker

In 2015, 33-year-old father of three Steven Hudson was named best Emergency Response Worker in the Yorkshire Evening Post 2015 Best of Health awards. His role is West District Community First Response Officer, St John Ambulance North East region.

Community First Responders (CFRs) are volunteers, like Steven, who are dispatched by 999 call handlers to nearby locations to provide care in serious medical emergencies until the ambulance arrives. **They are trained to a high standard, carry advanced first aid equipment and treat patients aged 7 upwards.**

Steven was part of the team that set up our first CFR unit, in Normanton, West Yorkshire in 2006. This has now grown to become the Mid Yorkshire CFR unit, covering Normanton, Garforth, Castleford, Featherstone and Pontefract with 11 trained CFRs. Steven also set up CFR units in Bradford West and in Otley. His hard work and commitment have resulted in the development of a 20-strong team of CFRs in West Yorkshire and Steven personally devotes hundreds of hours annually to his community, saving lives as a CFR, giving first aid demonstrations in schools and public, and working as a crew member for the Yorkshire Ambulance Service.



REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued



We have been successful in tendering for a number of neo-natal transport contracts with new business secured from Addenbrooke's Hospital and Thames and Wessex Hospitals and contract renewals for Great Ormond Street Hospital and at the Birmingham Children's Hospital.

We also undertook a major re-organisation of ambulance operations to create a centralised and more functional management structure, which will underpin future growth and development. The re-organisation has introduced a new management team, which will in turn allow us to create a scalable operation with a clear strategic intent to provide safe transport services to patients in line with the needs of our customers and regulators.

**BEFORE THE NHS ARRIVES
ANOTHER PAIR OF
TRAINED HANDS ARE
ON SCENE**

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Achievements and performance, continued

RESILIENT COMMUNITIES

Emergencies requiring first aid assistance sometimes involve entire communities, and we have developed systems to provide large-scale support. We can work alongside the statutory services when they are overstretched, whether during extreme weather conditions (so-called 'winter pressures'), following major accidents or local or national emergencies. We take part in multi-agency emergency planning exercises as well as our own.

As the largest pan-England ambulance operation, we are able to deploy clinical teams and vehicles at short notice where they are needed. But – since first aid can be needed anywhere and at any time – we are also determined to increase individual communities' resilience both through formal planning and through simply increasing the number of people who understand how to, and feel empowered to provide first aid when the need arises.

That's why it's so important to spread first aid skills wherever possible, and why we speak of a generation of life savers. But it's also important that people who have life saving skills feel that they can use them.

In 2015, the Social Action, Responsibility and Heroism Bill became law. Its purpose was to encourage people to step forward in cases of emergency, by assuring first aiders that courts would take into account that they were acting selflessly.



While the Bill was going through Parliament, we successfully campaigned for its wording to reflect good first aid practice. We welcome the new Act and trust that it will have an effect on making first aid a cultural norm.

FIRST AID EVERYWHERE

Storm Desmond and St John Ambulance

In December 2015, St John Ambulance personnel and vehicles were used to help with the Storm Desmond relief effort.

Storm Desmond brought record levels of rainfall and disrupted schools, hospitals and travel in parts of North West England. More than 2,500 homes were without power in Cumbria, and rescue workers spent three days evacuating people from flooded homes.

The call for St John Ambulance's support came on Saturday 5 December and saw three 4x4 vehicles and one road ambulance mobilised to support the North West Ambulance Service (NWAS) in transporting patients. Each crew of two worked until the early hours of Sunday morning.

The work continued on Sunday as St John Ambulance volunteers provided first aid cover at rest centres opened in Carlisle and Lancaster, close to some of the worst affected areas. Three St John Ambulance vehicles from the West Midlands and three from the North East also joined those already deployed from the North West, resulting in a total of 20 crew members from our organisation taking part in the relief effort.

Mark Aspin, Regional Silver Officer (North West), who acted as Bronze Officer over the weekend and was out in one of the first vehicles on Saturday night, said: 'The support of other regions was crucial and very much appreciated.'

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, *continued*

Achievements and performance, *continued*

A SUSTAINABLE ORGANISATION

We recognise that our charity will be needed as long as people need to receive first aid. Therefore we need to ensure that our organisation is sustainable for the foreseeable future.

In 2015 we achieved our second successive operating surplus. We will continue to bear down on our costs wherever possible so that we can deploy resources where they are most needed. We will also need to generate resources to allow us to strengthen our organisation further, by investing in technological systems that enable us to meet the needs of customers and the general public, and better manage data. We want to support our first aiders with more access to training. And we need to continue to ensure compliance with clinical and other regulations.

We are in our second year of registration as an independent provider of certain services with Monitor, the regulator of health services in England. St John Ambulance activities falling within Monitor's remit relate almost wholly to the provision of ambulance services to NHS bodies. We have fully complied across the year with the reporting and other requirements stipulated by Monitor which apply to us.

Underpinning all of our services, many of which are subject to ongoing regulation by the Care Quality Commission (CQC), is an unrelenting focus on customer service and the quality of patient care.

During 2015 we prepared plans to implement cloud-based IT systems and these will go live during 2016.

We also carried out the planned review into our central structures and will implement appropriate changes during 2016.

Heritage assets

St John Ambulance, on behalf of the Priory, ensures the maintenance of the Historic Assets in Clerkenwell, namely the Priory Church and St John's Gate (including the St John Museum and its collections).

Plans for future periods

Key strategic issues to be addressed in 2016 are:

St John Ambulance will launch a new five year strategy which sets out our goals for delivering our vision through to 2020. Our vision reflects the change that we want to make in society. Our 2020 strategy aims to ensure that far more people receive first aid when they need it from those around them, whether that be from our volunteers, or people we have trained, or those who have been able to provide help as a result of one of our public campaigns.

ADVOCATE: We will raise awareness of, and campaign for, greater access to first aid in the UK

- We will make first aid relevant to more of the population and inspire them to take positive action through our awareness campaigns
- We will continue to campaign and lobby to get first aid education into more schools, building on Every Child a Lifesaver.

EQUIP: We will develop materials and supply equipment for first aid emergencies

- We will develop and make available educational resources showing first aid techniques through our websites and printed materials
- We will make more equipment available in local communities through the sale of first aid kits and resources such as defibrillators.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, *continued*

Achievements and performance, *continued*

Plans for future periods, *continued*

TEACH: We will teach more of the population to confidently deliver first aid

- We will increase the numbers trained across all priority groups and focus on increasing confidence and removing barriers to helping. This will be supported by research to measure the impact of our training programmes
- We believe that every school child should learn first aid and will be working with schools and partner organisations to implement this
- We will also develop our programmes for young people outside the classroom
- We will develop our suite of community courses, including the training we provide for young carers.

TREAT & TRANSPORT

- We will launch our strategy for providing access to first aid to a greater number of the population who might need it, particularly at public events and through our work with ambulance trusts. We will underpin this strategy by strengthening our resilience as a voluntary organisation
- We will continue to grow our ambulance service activity, while increasing the effectiveness of delivery and use of resources.

Specifically, in 2016 we will:

- Launch our 2020 strategy including our approach to increasing first aid provision to more of the public who need it and developing our ambulance service activity to increase community resilience
- Embark on a programme of research, in line with our Theory of Change, to demonstrate the impact of first aid
- Train more people in first aid through schools, community and the workplace. Develop a training package for young carers
- Extend the Big First Aid Lesson Live to include termly videos for use in the classroom to teach different first aid scenario topics to more young people.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, *continued*

Financial review

Responsibilities for the directors' report and financial statements

The directors are responsible for preparing the directors' report 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 (UK Accounting Standards and applicable law).

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, as well as its financial position at the end of the year. 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 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 in order 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.

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 company's 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.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Financial review, continued

Basis of accounting, continued

With the exception of certain amendments that have been required by the transition to the updated Charities SORP (FRS 102), no other significant changes have been made to these policies from those used in the year ended 31 December 2014. Details of the amendments made to the accounting policies are provided on pages 40 and 41 in accounting policy note b, 'Transition to FRS 102 – reconciliation with previous Generally Accepted Accounting Practice'.

Review of the year

Overall summary

Despite a challenging economic environment, the charity has achieved a net surplus of £2.4m after including gains arising from the disposal of fixed assets and gains on investments.

Total income in 2015 was £106.7m (2014: £99.3m), representing an increase of 7% on the previous year. Total expenditure also increased, to £104.5m (2014: £96.7m), of which £96.4m (2014: £89.0m) was expended on charitable activities.

At 31 December 2015 the charity's total funds were £121.8m (2014: £119.4m), with unrestricted funds of £118.7m (2014: £116.1m). These funds are predominantly represented by fixed assets (£81.5m at 31 December 2015), which are important in enabling the delivery of our charitable services. Our free reserves, which are shown in further detail on pages 28 and 29, are £16.7m (2014: £12.1m).

The 2015 financial performance across each of our main areas of activity is described below.

Expenditure figures referred to include an element of overhead costs, allocated as described in note 7 to the accounts.

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.

Income from donations and legacies increased by 2% to £14.1m, from £13.8m in 2014. This is largely due to an increase in legacy income received. Legacy income increased by £0.3m compared to the previous year, totalling £2.2m in 2015.

First aid training

The net surplus from the provision of first aid training was £9.8m, an increase of £1.5m compared to the previous year. Such surpluses are used to fund other charitable activities. Income from this source rose by £1.7m (4%) to £43.1m (2014: £41.4m). Related expenditure was £33.3m, an increase of only £0.2m compared to the 2014 expenditure of £33.1m, reflecting continued efficiencies in the delivery of our courses.

The cost of first aid training includes the cost of courses provided to the community for no charge.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Financial review, continued

Review of the year, continued

First aid provision and youth development

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 2015 was £13.5m, compared to £13.1m in 2014, while income reduced from £8.3m in 2014 to £7.5m. After including indirect costs that have been allocated to this activity, as described in note 7, the net cost of first aid provision and youth development rose from £4.8m in 2014 to £6.0m.

First aid – ambulance and transport services

Income from the provision of ambulance services has continued to grow, increasing to £24.9m in 2015 from £20.8m the previous year. The level of resource required to meet the demand for our services has increased however and the margins received can be relatively tight. While direct costs are recovered, after including indirect costs that have been allocated to this activity as well as the upfront costs of preparing for new contracts there is an increase in the net cost of the provision of ambulance and transport services to £10.6m in the year (from £8.4m the previous year). We are now a significant provider of support to the NHS, with key customers including ambulance service and community services provider trusts covering much of England.

First aid products

First aid products are procured and distributed by St John Ambulance Supplies. This is an internal department which coordinates purchasing for the whole of the charity and also sells first aid products to third parties, with resulting surpluses used to support St John Ambulance operating costs. In 2015 its external income rose by £0.7m to £9.0m (2014: £8.3m). Costs incurred, relating to both internal and external activities, also increased, by £0.4m to £8.6m (2014: £8.2m).

Community support programmes

Our community support programmes include day care centres, first aid training and informal advice to unpaid carers, the provision of services to the homeless in Sussex and the provision of services to the elderly at the St John Care Home in Kent. The net cost of providing these services remained constant at £2.0m (2014: £1.8m).

Cash flows

Cash balances increased in 2015 by £4.9m (2014: increase of £0.6m) to £13.2m (2014: £8.3m).

The cash outflow in respect of purchased fixed asset additions in 2015 was £2.4m, with a further £1.2m outflow relating to finance lease payments. Advantage continued to be taken of available low interest rates to acquire ambulances under finance lease arrangements. Vehicles with a book cost of £1.3m were purchased in this manner during 2015.

Following the continued implementation of our strategy to maximise the effectiveness of our property, £6.6m (2014: £3.1m) was received from the sale of tangible fixed assets, primarily properties surplus to our needs, during the year.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Financial review, continued

Investments

The St John Ambulance Board annually reaffirms its policy regarding investments. Cash balances over and above what are required for operational purposes, including capital expenditure, are potentially 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.

Quoted securities

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 +3% over a market cycle.

The relative amounts invested in UK and in overseas securities is 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 2015 the total return from our investments, including dividends received, was 4.4%, which exceeds the target benchmark figure of 4.2% for the Retail Prices Index +3%. Across the same period the FTSE All-Share Total Return Index, which relates to UK securities only, rose by 1.0%.

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 which is 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 which are let to third parties are classified as an investment property and are included in the balance sheet at estimated fair value. This element of the property is included in the balance sheet at its 31 December 2015 valuation of £15.5m. This figure remains unchanged compared to its 31 December 2014 valuation.

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

The level of unrestricted funds, after excluding the value of fixed assets, any revaluation reserve and any other amounts that have been designated for a particular purpose, are classed as 'free reserves'.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Financial review, continued

Funds and reserves policies, continued

Free reserves, continued

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 readily be accessed when required.

Taking into account these factors, the directors have determined that free reserves should be in the range of £12m to £20m, and this is reflected in St John Ambulance's financial strategy. This represents between 1.5 and 2.5 months of expenditure on our core costs.

At 31 December 2015 unrestricted funds held by St John Ambulance totalled £118.7m (2014: £116.1m). These are represented by:

- Designated funds of £89.8m (2014: £92.1m) consisting of:
 - £81.5m (2014: £84.8m) relating to the net book value of heritage assets and unrestricted tangible fixed assets;
 - £8.3m (2014: £7.3m) 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.
- Net unrealised gains on investments of £12.2m (2014: gain of £11.9m) which are included in the balance sheet as a revaluation reserve.

St John Ambulance has therefore met its target for free reserves.

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.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Structure, governance and management

Principal risks and uncertainties

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 management 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, staff, the assets and the reputation of St John Ambulance are exposed.

Principal risks which have been identified, and related controls, are set out below:

Key risk	Controls
Insufficient funds in place to enable St John Ambulance to continue day to day operations, and in the longer term	Controls in place: <ul style="list-style-type: none">➤ Established systems for financial planning, budgeting and monitoring of financial performance➤ Strategic and short-term treasury planning and management of liquid resources➤ Clearly-defined delegated authorities for committing to, or approving, expenditure➤ Free reserves policy.
The risk of significant harm to an individual on St John Ambulance premises or in St John Ambulance care	Policies and procedures for the safeguarding of children and vulnerable adults, for standards of clinical practice, and for maintaining a safe and healthy working environment for staff, volunteers and service users.
A major breach of principal legal or regulatory requirements, such as those relating to health and safety standards or Care Quality Commission requirements, or changing fundraising practices	Key areas are subject to monitoring and periodic reporting to the directors, who also keep abreast of forthcoming changes in the external regulatory environment.
Poor or failing business systems, including IT, affecting the ability of St John Ambulance to operate effectively	Business systems are monitored in order to identify at an early stage where improvement may be required. Service level agreements are in place with third party suppliers for systems infrastructure. IT infrastructure is planned to be substantially upgraded during 2016.
Reputational damage due to internal or external factors.	Policies and procedures in relation to operational activities, with national and regional teams in place to handle incidents that may arise. Key areas which may generate risk are subject to monitoring and reporting at director level, as well as inclusion in the charity's risk register.

Credit, liquidity and cash flow risk

St John Ambulance's main exposure to institutional credit risk arises in respect of its investments and cash holdings, and is controlled principally through restrictions regarding which institutions these may be placed with. Credit risk in relation to customer debts 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.

The Internal Audit department provides assurance on the effectiveness of the risk management process and associated mitigation strategies and controls, focusing on the areas of greatest risk.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Structure, governance and management, continued

Organisational structure

St John Ambulance (a registered charity and a company limited by guarantee) and its parent undertaking, The Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem ('the Priory' or 'the Priory of England and the Islands'), which is also a charity (charity number 1077265), began operating on 25 October 1999. On that date, they were given the operations of The Most Venerable Order of the Hospital of St John of Jerusalem ('the Order') in their territory. The majority of these operations in England are conducted by St John Ambulance.

St John Ambulance's charity number is 1077265-1 which, recognising that the objects of St John Ambulance are very similar to those of the Priory, is the same primary number as the Priory.

The Board and senior executives of the company are listed on pages 59 and 60. Principal places of business and professional advisers of the company are given on page 62.

The company is governed by its Memorandum and Articles of Association, which were approved by the Grand Prior of the Order on 20 October 1999 under authority of the Order's Royal Charter and Statutes. The Memorandum and Articles of Association are filed with the Charity Commission for England and Wales.

The legal structure of the company, its parent undertaking and its wholly-owned subsidiary as at 31 December 2015 is as follows:

The Priory - A registered charity in England

St John Ambulance - A wholly owned subsidiary of the Priory, a registered charity in England and a company limited by guarantee

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 the hosting of functions and events. Support St John Limited is governed by its Memorandum and Articles of Association adopted on 19 October 2000.

Governance

The Priory

The governing bodies of the Priory are the 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 membership of each committee is noted on pages 60 and 61.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Structure, governance and management, continued

Governance, continued

The Priory Council

On 10 November 1999 the trustees of the Priory were incorporated under the Charities Act as a body, known as The Incorporated Trustees of the Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem. The trustees are the members of the Priory Council and are legally responsible for the governance and management of the Priory.

The Priory Chapter

The Priory Chapter consists of up to 48 members selected to be representative of the organisation, comprising 39 representatives from geographical areas and other interest groups and nine other ex officio members.

Vacancies that arise are filled from applications assessed by designated Priory trustees and other senior volunteers, for specialist roles. Appointments are for a period of three years, which may be renewed for a further three years.

St John Ambulance – the Board of directors

The governing body of St John Ambulance is its Board of directors. The Board is chaired by the Prior, who is also chair of the Priory Council. The directors are legally responsible for the governance and management of St John Ambulance.

Appointments to the Board are made by the Priory, the sole member of the company.

The Prior, the Dean and the Chancellor serve as trustees of the Priory and also, ex officio, as directors of St John Ambulance. They are appointed to the Priory Council by the Grand Prior of the Order on the recommendation of the Priory Chapter.

St John Ambulance may have up to 12 more directors, selected on the basis of the relevant skills and experience necessary to match the competencies required on the Board. Further directors are appointed to the Board by the Priory Council on the recommendation of the Nominations Committee, which is a committee serving both St John Ambulance and the Priory. These directors may include up to three individuals selected on a national basis, and up to three who are deemed to be independent.

Details of all directors who served during 2015 and subsequently are set out on page 59.

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

A formal director induction procedure is in place and a full induction pack is provided to all new directors. This contains key information and documents regarding the role of the director in the company. In addition, each new director is invited to attend an induction day at the charity's National Headquarters. Directors are encouraged to gain a greater understanding and appreciation of local operations. Directors can also access relevant external training courses relating either to their responsibilities as directors or to the charity sector in general.

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.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, *continued*

Structure, governance and management, *continued*

Management, *continued*

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. It meets as and when required. It provides recommendations to the Priory Council regarding the appointment (and reappointment) of directors of St John Ambulance. It also advises the Priory Council and the St John Ambulance Board directly in relation to 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, selected either internally or externally on the basis of the particular skill sets required on the committee.

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 chairman is an independent director.

Remuneration Committee

The Remuneration Committee determines the remuneration and benefits of the Chief Executive and the other members of the senior management team. The committee also makes recommendations to the St John Ambulance Board regarding annual pay awards, as well as considering the framework and broad policy for remuneration of all employees and the payment of expenses to employees and volunteers. The committee meets at least once a year and at other times as required. The chairman is an independent 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.

Delegation of authority

Authority to conduct the day-to-day 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 company secretary and other members of the St John Ambulance senior management team, to whom certain functions are further delegated. The members of the senior management team are listed on page 60.

REPORT OF THE DIRECTORS

INCORPORATING THE STRATEGIC REPORT

for the year ended 31 December 2015, continued

Auditor

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

Employees and volunteers

Information about aims and activities is disseminated to staff and volunteers through newsletters, briefings and meetings, with consultation on major issues taking place through a variety of local and national forums. St John Ambulance has a range of human resources policies to help ensure compliance with employment legislation and good management practice. These include, as part of policies regarding diversity and equal opportunities, practices regarding the recruitment, training and career development of disabled staff, who will be employed wherever practical. Should a member of staff become disabled, every effort is made to continue their employment involving, where necessary, workplace adaptations and the provision of special training.

In gratitude

The directors would like to convey their sincere thanks to the many donors, volunteers and staff who have so generously given their support to St John Ambulance. With their continuing efforts we look forward to enhancing the delivery of our charitable services within the community.

We are particularly grateful for the contributions of Sue Ellen and Steve Russell, who retired as directors during 2015.

This report, including the strategic report, was approved by the directors on 17 May 2016 and signed on their behalf by:

Rodney Green CBE

Chairman

INDEPENDENT AUDITOR'S REPORT

to the member of St John Ambulance

We have audited the financial statements of St John Ambulance for the year ended 31 December 2015 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the cash flow statement and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's member 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 member those matters we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its member for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

As explained more fully in the statement of directors' responsibilities ('Responsibilities for the accounts and financial statements' on page 25), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2015 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the directors incorporating the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT

to the member of St John Ambulance, *continued*

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.

Carol Rudge

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

17 May 2016

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 December 2015

	Note	Unrestricted Funds £m	Restricted and Endowment Funds £m	2015 Total £m	2014 Total £m
Income and endowments from:					
Income from donations and legacies	2	13.5	0.6	14.1	13.8
Income from charitable activities:					
First aid training		42.7	0.4	43.1	41.4
First aid provision and youth development		7.4	0.1	7.5	8.3
First aid - ambulance and transport services		24.9	-	24.9	20.8
First aid products		9.0	-	9.0	8.3
Community support programmes		1.3	0.1	1.4	1.5
Other charitable activities		0.1	-	0.1	0.1
Total income from charitable activities	3	85.4	0.6	86.0	80.4
Income from other trading activities	4	1.3	0.1	1.4	1.6
Investment income	5	1.1	-	1.1	0.9
Other income					
Net gain on disposal of assets		3.6	-	3.6	2.0
Other income		0.5	-	0.5	0.6
Total other income		4.1	-	4.1	2.6
TOTAL INCOME		105.4	1.3	106.7	99.3
Expenditure on:					
Total expenditure on raising funds	7	8.1	-	8.1	7.7
Expenditure on charitable activities					
First aid training		32.5	0.8	33.3	33.1
First aid provision and youth development		12.9	0.6	13.5	13.1
First aid - ambulance and transport services		35.5	-	35.5	29.2
First aid products		8.6	-	8.6	8.2
Community support programmes		3.3	0.1	3.4	3.5
Other charitable activities		2.0	0.1	2.1	1.9
Total resources expended on charitable activities	7	94.8	1.6	96.4	89.0
TOTAL EXPENDITURE		102.9	1.6	104.5	96.7
Gains on investment assets	9	0.2	-	0.2	6.9
NET INCOME/(EXPENDITURE)		2.7	(0.3)	2.4	9.5
Transfers between funds		(0.1)	0.1	-	-
NET MOVEMENT IN FUNDS		2.6	(0.2)	2.4	9.5
Fund balances at 1 January		116.1	3.3	119.4	109.9
FUND BALANCES AT 31 DECEMBER	24	118.7	3.1	121.8	119.4

All income and expenditure in 2015 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 40 to 58 form part of these accounts.

BALANCE SHEET

as at 31 December 2015

	Note	£m	2015 £m	£m	2014 £m
Fixed assets					
Heritage assets	12	2.2		2.2	
Tangible fixed assets	13	79.3		82.6	84.8
			81.5		
Investments					
Investment in subsidiary	27	-		-	
Securities	14	13.2		12.9	
Investment property	15	15.5		15.5	
			28.7		28.4
			110.2		113.2
Current assets					
Stocks		2.3		2.4	
Debtors	16	19.5		16.8	
Cash at bank and in hand	17	13.2		8.3	
		35.0		27.5	
Liabilities					
Creditors falling due within one year	18	(15.2)		(13.8)	
NET CURRENT ASSETS			19.8		13.7
TOTAL ASSETS LESS CURRENT LIABILITIES			130.0		126.9
Creditors falling due after more than one year	19		(8.2)		(7.5)
NET ASSETS			121.8		119.4
Funds					
Unrestricted funds:					
Designated funds		89.8		92.1	
Revaluation reserve		12.2		11.9	
Other charitable funds		16.7		12.1	
Total unrestricted funds			118.7		116.1
Restricted funds			2.3		2.6
Endowment funds			0.8		0.7
TOTAL FUNDS	24		121.8		119.4

The notes on pages 40 to 58 form part of these accounts.

Approved by the Board of directors of St John Ambulance on 17 May 2016 and authorised to be signed on their behalf by:

Rodney Green CBE
Chairman

CASH FLOW STATEMENT

for the year ended 31 December 2015

	Note	2015 £m	2014 £m
Net cash provided by operating activities	25	0.9	0.6
Cash flows from investing activities			
Dividends, interest and rents from activities		1.1	0.9
Proceeds from sale of investments		0.1	5.1
Purchases of investments		(0.2)	(5.0)
Proceeds from sale of tangible fixed assets		6.6	3.1
Purchases of tangible fixed assets		(2.4)	(3.3)
Expenditure on investment property		-	(0.1)
Net cash provided by investing activities		5.2	0.7
Cash flows from financing activities			
Capital element of finance lease payments		(1.2)	(0.7)
Net cash provided by financing activities		(1.2)	(0.7)
Increase in cash and cash equivalents during the year		4.9	0.6
Cash and cash equivalents at 1 January		8.3	7.7
Cash and cash equivalents at 31 December		13.2	8.3

The notes on pages 40 to 58 form part of these accounts.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015

1. Accounting policies

The principal accounting policies are set out below. These policies have been applied consistently, with the following exceptions:

- the change to the de minimis limit for the recognition of heritage assets and tangible fixed assets in accounting policies g and h, which is explained in accounting policy 1c, 'Critical accounting estimates, judgements and assumptions'.
- the changes required by the transition to FRS 102 and the Charities SORP (FRS 102), which are explained in accounting policy 1b, 'Transition to FRS 102 - reconciliation to previous Generally Accepted Accounting Practice'.

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 (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 (effective 1 January 2015) ('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 29. 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.

b. Transition to FRS102 - reconciliation with previous Generally Accepted Accounting Practice

The Charities SORP (FRS 102) is effective for all accounting periods beginning on or after 1 January 2015 and these accounts for the year ended 31 December 2015 are the first accounts of St John Ambulance to be prepared in accordance with FRS 102.

The accounts for the year ended 31 December 2014 were originally prepared in accordance with previously accepted UK Accounting Standards. In preparing these accounts for the year ended 31 December 2015, consideration has been given as to whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required.

The principal accounting policies are set out below. The results for the year ended 31 December 2014 have been restated due to the following adjustments, which have been made in order to comply with the revised accounting standard and the Charities SORP (FRS 102). The transition date for FRS 102 purposes is 1 January 2014.

Liabilities arising from employee benefits

FRS 102 includes a requirement to recognise liabilities arising from employee benefits. At the date of transition in applying the requirements of the Charities SORP (FRS 102), a liability was recognised for holiday entitlement accrued by employees, but not paid or taken as at the financial year end. The initial liability as at 31 December 2013 was for £0.6m. The liability as at 31 December 2014 was for £0.5m.

Additional contributions to multi-employer pension plans

FRS 102 includes a requirement to recognise any liability to make payments to fund any deficit relating to past service where an agreement to make the payments is in place. The amount to be recognised is the present value of the payments agreed.

St John Ambulance is liable to pay additional employer contributions until 2025 to cover the deficit in The Pensions Trust's Growth Plan scheme. In accordance with the Charities SORP 2005, these payments had previously been expensed as paid in the 2014 accounts, with no recognition of the additional liability.

An adjustment to accrue for the present value of the additional contributions payable to The Pension Trust by St John Ambulance has been made in accordance with the requirements of the Charities SORP (FRS 102). The initial liability as at 31 December 2013 was for £3.0m. The liability as at 31 December 2014 was for £2.9m.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

1. Accounting policies, continued

b. Transition to FRS102 - reconciliation with previous Generally Accepted Accounting Practice (continued)

Summary of transitional adjustments

The impact of the transitional adjustments on the results of prior accounting periods is provided in the table below. The restatements affect unrestricted funds only.

	Increase in creditors as at 31 Dec 2013 £m	Additional / (reduced) cost in 2014 SOFA £m	Increase in creditors as at 31 Dec 2014 £m
Present value of additional pension contributions	3.0	(0.1)	2.9
Holiday pay accrual	0.6	(0.1)	0.5
Total	3.6	(0.2)	3.4

Reconciliation of net income and net movement in funds

	31 Dec 2014 £m
Net incoming resources before other recognised gains and losses, as previously stated	2.4
Gains on investment assets	6.9
Net income and net movement in funds, before transition adjustments	9.3
Transition adjustment – additional pension contributions	0.1
Transition adjustment – holiday pay accrual	0.1
Net income and net movement in funds, as restated	9.5

In accordance with the requirements of the Charities SORP (FRS 102), a reconciliation of opening balances is also provided.

Reconciliation of opening balances

	31 Dec 2013 £m	31 Dec 2014 £m
Total fund balances as previously stated	113.5	122.8
Present value of additional pension contributions	(3.0)	(2.9)
Holiday pay accrual	(0.6)	(0.5)
Total fund balances as restated	109.9	119.4

c. 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.

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.

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

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 have been judged to have been met. Payments received in advance of revenue recognition are recorded as deferred income.

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 accounting policies for the recognition of minor additions to heritage assets and fixed assets were reviewed, and with effect from 1 January 2015 the de minimis limit increased from £2,000 to £3,000.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

1. Accounting policies, continued

c. Critical accounting estimates, judgements and assumptions (continued)

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 additional assets are recognised within tangible fixed assets.

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 used for operational purposes.

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 materially changed 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 pays additional employer contributions of over £0.3m per year until 2025 to cover the deficit in The Pensions Trust 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 Pensions Trust Growth Plan that is supplied by 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, depending upon the age of the debt. An additional provision may also be made where information received indicates that a debt is unlikely to be paid by a customer.

d. Historical cost convention

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

e. Income

Income is generally 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 incoming resources
- 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.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

1. Accounting policies, continued

f. 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 staff 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.

g. Heritage assets

St John Ambulance, on behalf of the Priory, maintains two historic buildings in Clerkenwell, London. These are the 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 £3,000 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.

h. 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 £3,000 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.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

1. Accounting policies, continued

i. 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.

j. Stocks

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

k. 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.

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.

l. 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.

m. 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

n. Taxation

St John Ambulance is partially able to recover Value Added Tax (VAT) on purchases. Irrecoverable VAT 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.

o. 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.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

1. Accounting policies, continued

p. 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:

Financial instrument	Measurement on initial recognition
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	Transaction price (cost) (ie. without an option to sell the shares at a later date at an agreed price)

2. Income from donations and legacies

	2015 £m	2014 £m
Donations and gifts	11.3	11.3
Legacies	2.2	1.9
Grants (see note 6)	0.1	0.1
Subscriptions	0.5	0.5
	14.1	13.8

3. Income from charitable activities

	Grants (see note 6) £m	Other £m	2015 £m	2014 £m
First aid training	0.5	42.6	43.1	41.4
First aid provision and youth development	0.1	7.4	7.5	8.3
First aid – ambulance and transport services	-	24.9	24.9	20.8
First aid products	-	9.0	9.0	8.3
Community support programmes	0.2	1.2	1.4	1.5
Other charitable activities	-	0.1	0.1	0.1
	0.8	85.2	86.0	80.4

4. Income from other trading activities

	2015 £m	2014 £m
Rents from operational buildings	0.9	1.0
Merchandising	0.1	0.1
Fundraising events	0.3	0.3
Gift Aid payable by subsidiary	-	0.1
Sponsorships	0.1	0.1
	1.4	1.6

5. Investment income

	2015 £m	2014 £m
Dividends and interest	0.4	0.4
Income from investment property	0.7	0.5
	1.1	0.9

6. Grants receivable

	Charitable activities (see note 3) £m	Income from donations and legacies (see note 2) £m	2015 Total £m	2014 Total £m
Lottery Funds	0.1	-	0.1	0.1
Other grants	0.7	0.1	0.8	1.2
	0.8	0.1	0.9	1.3

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

6. Grants receivable, continued

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

	1 Jan 2015 £'000	Incoming resources £'000	Outgoing resources £'000	31 Dec 2015 £'000
 Grants from the Big Lottery Fund				
Hastings Homeless Service, Sussex	5	47	(45)	7
Grants from the Heritage Lottery Fund				
Great War Centenary project – Museum of the Order of St John	5	28	(32)	1

7. Total expenditure

	Staff costs £m	Other direct costs £m	Depreciation £m	Other costs £m	Support costs (see note 8) £m	2015 Total £m	2014 Total £m
Expenditure on raising funds							
Fundraising costs	0.9	0.7	0.1	4.0	0.4	6.1	5.8
Publicity and public relations costs	0.8	0.3	-	0.7	0.1	1.9	1.9
Investment costs	-	-	-	0.1	-	0.1	-
	1.7	1.0	0.1	4.8	0.5	8.1	7.7
Expenditure on charitable activities							
First aid training	13.5	5.7	0.5	9.9	3.7	33.3	33.1
First aid provision and youth development	2.8	5.0	0.6	3.9	1.2	13.5	13.1
First aid – ambulance and transport services	15.3	4.3	2.2	8.0	5.7	35.5	29.2
First aid products	0.3	5.1	0.2	2.2	0.8	8.6	8.2
Community support programmes	1.3	0.2	0.1	1.2	0.6	3.4	3.5
Other charitable activities	0.3	0.1	0.2	1.5	-	2.1	1.9
	33.5	20.4	3.8	26.7	12.0	96.4	89.0
Total expenditure	35.2	21.4	3.9	31.5	12.5	104.5	96.7

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

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

Indirect costs are allocated on a basis consistent with the use of resources. Allocation is calculated using both relative staff numbers and usage of resources, with the proportion of each allocation basis used varying depending upon the type of cost to be allocated. The method of allocation used has been reviewed and amended during the year and the 2014 costs allocated to activities have been restated so that the comparative costs are allocated on a consistent basis to that used for 2015.

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

Fundraising costs include support costs and other indirect costs of £1.2m, which have been allocated as described in the accounting policies (see note 1f). Excluding these allocated costs, fundraising costs total £4.9m.

	2015 £'000	2014 £'000
The above costs include:		
Operating lease rentals:		
Land and buildings	1.4	1.4
Vehicles and equipment	0.7	0.7
Finance lease interest	0.3	0.3
Final payment to fund the pension obligations of the Joint Committee of The Order of St John of Jerusalem and the British Red Cross Society	0.3	-

The auditor's remuneration for the audit of these accounts was £61,000 (2014: £55,000). No other fees were payable to the auditor during the year (2014: £Nil).

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, 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	Management	Human resources	Central finance	Information technology	Building management	2015 Total	2014 Total
	£m	£m	£m	£m	£m	£m	£m	£m
Fundraising and publicity	-	0.1	0.1	0.1	0.1	0.1	0.5	0.4
First aid training	0.3	0.6	0.4	0.8	1.2	0.4	3.7	4.0
First aid provision and youth development	0.1	0.4	0.1	0.2	0.3	0.1	1.2	1.2
First aid - ambulance and transport services	0.3	1.6	0.9	0.9	1.5	0.5	5.7	4.9
First aid products	-	0.2	0.1	0.2	0.2	0.1	0.8	1.1
Community support programmes	-	0.2	0.1	0.1	0.2	-	0.6	0.5
	0.7	3.1	1.7	2.3	3.5	1.2	12.5	12.1

9. Gains on investments

	2015	2014
	£m	£m
Unrealised gain on securities (see note 14)	0.2	-
Unrealised gain on investment property (see note 15)	-	6.6
	0.2	6.6
Realised gain on securities (see note 14)	-	0.3
	0.2	6.9

10. Employee information

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

	2015	2014
	Headcount	Headcount
Charitable activities	2,191	2,064
Generating funds	24	23
Governance	15	15
	2,230	2,102

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

	2015	2014
	Full time equivalent	Full time equivalent
Charitable activities	1,835	1,694
Generating funds	21	21
Governance	14	14
	1,870	1,729

Total staff costs

	2015	2014
	£m	£m
Salaries and benefits in kind	45.2	41.4
Social security costs	3.9	3.7
Pension and death benefits	2.3	1.8
	51.4	46.9

The above-noted costs include direct staff costs, which are shown in note 7, as well as indirect staff costs and staff support costs. The figure also includes additional employer defined benefit pension contributions payable to the Pension Trust of £0.3m (2014: £0.3m), as referred to in note 29.

Payments to employees, included in salaries, wages and benefits in kind, made in relation to the termination of employment during the year totalled £0.2m (2014 : £0.1m)

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

10. Employee information, continued

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:

	2015 Number	2014 Number
£60,001 - £70,000	12	13
£70,001 - £80,000	7	6
£80,001 - £90,000	8	5
£90,001 - £100,000	2	5
£100,001 - £110,000	5	3
£110,001 - £120,000	-	1
£120,001 - £130,000	2	2
£140,001 - £150,000	1	1

In addition, during the year, pension contributions to a defined contribution scheme on behalf of these staff amounted to approximately £230,000 (2014: £217,000).

Further details of the St John Ambulance pension scheme are set out in note 29.

Key management personnel

Key management personnel are defined as the trustees of the Priory, the directors of St John Ambulance and the senior management team of the charity. The trustees and directors receive no remuneration except for expenses necessarily incurred during the performance of their duties. The members of the senior management team are listed on page 60.

The total emoluments of the key management personnel (salaries, wages, benefits in kind, including pension costs, and termination payments), excluding expenses necessarily incurred during the performance of their duties, during the year were £1,149,000 in relation to 12 employees (2014: £1,118,000 in relation to 11 employees).

Donations made by key management personnel during 2015 were £3,000.

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 2015 was £21,000 (2014: £14,000) relating to 15 (2014: 12) directors.

12. Tangible fixed assets - heritage assets

	Historic buildings £m	Artefacts £m	Total £m
Cost			
At 31 December 2014 and 31 December 2015	2.0	0.4	2.4
Accumulated depreciation			
At 31 December 2014	0.2	-	0.2
Charge for year	-	-	-
At 31 December 2015	0.2	-	0.2
Net book value 31 December 2015	1.8	0.4	2.2
Net book value 31 December 2014	1.8	0.4	2.2

The amount of depreciation charged in 2015 in respect of historic buildings was £40,000 (2014: £40,000).

St John Ambulance, on behalf of the Priory, maintains approximately 40,000 artefacts, of which some 400 of the most historically important are on public display in the Museum, the remainder being held in storage. The items held include a wide range of arms and armour, prints, documents, coins, models, costumes and other items relating to the history and activities of the Order. There is no charge for admission to the Museum, although donations are welcome. Further details relating to the history and contents of the Museum are provided on its website (www.museumstjohn.org.uk).

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

12. Tangible fixed assets - heritage assets, continued

The sale and purchase of artefacts is infrequent; acquisition only being contemplated for items which are complementary to the existing collection. There were no additions or disposals of heritage assets during the years ended 31 December 2014 and 31 December 2015. The Museum staff are responsible for the cataloguing, custody and maintenance of all of the heritage assets. In accordance with best practice, the Museum's Head of Heritage maintains detailed records of all artefacts, including description and dating information.

Summary analysis of heritage asset transactions

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
<i>Purchases</i>					
Historic buildings	-	-	-	-	7
Artefacts	-	-	-	-	350
Total purchases	-	-	-	-	357
Donations	-	-	-	-	-
Depreciation - historic buildings only	40	40	40	41	39
Disposals	-	-	-	-	-

13. Tangible fixed assets

	Freehold property £m	Long leasehold property £m	Short leasehold property £m	Vehicles & equipment £m	Total £m
Cost					
At 1 January 2015	70.0	15.5	2.8	45.1	133.4
Additions	1.4	-	0.4	1.8	3.6
Disposals	(3.3)	(0.1)	(0.4)	(2.4)	(6.2)
At 31 December 2015	68.1	15.4	2.8	44.5	130.8
Accumulated depreciation					
At 1 January 2015	10.2	3.1	1.5	36.0	50.8
Charge for year	1.0	0.3	0.2	2.4	3.9
Disposals	(0.5)	-	(0.4)	(2.3)	(3.2)
At 31 December 2015	10.7	3.4	1.3	36.1	51.5
Net book value 31 December 2015	57.4	12.0	1.5	8.4	79.3
Net book value 31 December 2014	59.8	12.4	1.3	9.1	82.6

The net book value of assets that are held under finance leases at 31 December 2015 was £5.9m (2014: £5.8m). The depreciation attributable to these assets during the year was £1.1m (2014: £0.7m). 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

	2015 £m	2014 £m
Unit trusts	13.2	12.9
	13.2	12.9

Unit trusts include no cash instruments (2014: £Nil).

Analysis of investments at 31 December by location

	2015 £m	2014 £m
Investments in the UK	8.1	7.7
Investments outside the UK	5.1	5.2
	13.2	12.9

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

14. Investments - securities, continued

Analysis of movements in the securities portfolio

	2015 £m	2014 £m
Fair value at 1 January	12.9	12.7
Additions at cost	0.2	5.0
Book value of disposals	(0.1)	(4.8)
Net unrealised gains (see note 9)	0.2	-
Fair value at 31 December	13.2	12.9

A realised gain, net of sale costs, of £Nil (2014: gain of £0.3m) arose from disposals and has been included in the SOFA as part of the total gains on investment assets (see note 9).

The value of the following investments represented more than 5% of the total fair value as at 31 December 2015:

	Number of shares	Fair value £'000
BlackRock Charishare Common Investment Fund	1,443,805	7,564
BlackRock North American Equity Tracker Fund class D accumulating units	1,055,497	2,385
BlackRock Continental European Equity Tracker Fund class D accumulating units	738,856	1,281
BlackRock Emerging Markets Equity Tracker Fund class D accumulating units	682,900	675
BlackRock Pacific ex-Japan Equity Tracker Fund class D accumulating units	341,463	699

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

	2015 £m	2014 £m
Year end valuation	13.2	12.9
Cost	(12.9)	(12.8)
Revaluation surplus	0.3	0.1

The increase in the revaluation surplus is reflected in the SOFA as an unrealised gain (see note 9).

15. Investment property

Analysis of movements in investment property

	2015 £m	2014 £m
Fair value at 1 January	15.5	9.5
Increase in fair value	-	6.0
Fair value at 31 December	15.5	15.5

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 estimated 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 property was valued as at 31 December 2014 by Daniel Watney LLP, Chartered Surveyors, a firm of independent valuers. The basis of valuation was fair value on the assumption that it would be sold subject to existing leases and tenancies, determined in accordance with the requirements of the RICS Valuation - Professional Standards January 2014 and UK Generally Accepted Accounting Practice (UK GAAP) - FRS15. The valuer's opinion of market value was primarily derived using comparable recent market transactions on arm's length terms together with other valuation techniques. The valuation amount has been apportioned between the investment and non-investment parts of the building on the basis of the 31 December 2014 valuation report and the relative floor areas attributable to each element.

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

	2015 £m	2014 £m
Year end valuation	15.5	15.5
Cost at 1 January	3.6	4.2
Expenditure during the year	-	0.1
Reclassification of cost	-	(0.7)
Cost at 31 December	3.6	3.6
Revaluation surplus	11.9	11.9

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

16. Debtors

	2015 £m	2014 £m
Trade debtors	12.6	11.1
Legacies receivable	0.1	0.3
Other debtors	0.2	0.2
Prepayments and accrued income	6.6	5.2
	19.5	16.8

17. Cash at bank and in hand

Cash at bank and in hand includes monies held in interest-bearing bank accounts.

18. Creditors falling due within one year

	2015 £m	2014 £m
Trade creditors	4.0	2.2
Obligations under finance leases	1.1	1.3
Pension contributions (see note 30)	0.6	0.5
Taxes and social security	2.1	2.1
Holiday pay	0.4	0.5
Other creditors	0.1	0.1
Accruals	3.3	3.3
Deferred course fees (see note 20)	3.3	3.2
Other deferred income (see note 20)	0.3	0.6
	15.2	13.8

19. Creditors falling due after more than one year

Amounts falling due after more than one year after the balance sheet date comprise:

	2015 £m	2014 £m
Finance leases	5.2	4.9
Pension contributions (see note 30)	3.0	2.6
	8.2	7.5

20. Deferred income

	Course fees £m	Other £m
Balance at 1 January 2015	3.2	0.6
Amount released to income	(3.2)	(0.6)
Amount deferred in the year	3.3	0.3
Balance at 31 December 2015	3.3	0.3

21. Financial commitments

Operating lease commitments

At 31 December annual commitments under operating leases were as follows:

Term of lease	Land & buildings	Vehicles & equipment	2015 £m	Land & buildings	Vehicles & equipment	2014 £m
	£m	£m		£m	£m	
Under one year	0.1	0.1	0.2	0.3	0.3	0.6
Two to five years	0.6	0.1	0.7	0.7	0.1	0.8
Over five years	0.4	-	0.4	0.3	0.1	0.4
	1.1	0.2	1.3	1.3	0.5	1.8

Future minimum finance lease payments

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

	2015 £m	2014 £m
Amounts payable within less than one year	1.4	1.2
Amounts payable between two and five years	5.1	4.8
Amounts payable after five years	0.6	1.1
	7.1	7.1

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

22. Capital commitments

At 31 December capital commitments contracted for amounted to:

	2015 £m	2014 £m
Vehicles and equipment	2.6	1.1
	2.6	1.1

23. Analysis of total funds

Type of asset and liability	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	2015 £m	2014 £m
Heritage assets	2.2	-	-	2.2	2.2
Tangible fixed assets	79.3	-	-	79.3	82.6
Securities	12.0	0.5	0.7	13.2	12.9
Investment properties	15.5	-	-	15.5	15.5
Net current assets	17.9	1.8	0.1	19.8	13.7
Creditors falling due after more than one year	(8.2)	-	-	(8.2)	(7.5)
	118.7	2.3	0.8	121.8	119.4

24. Total funds

	1 Jan 2015 £'000	Incoming resources £'000	Outgoing resources £'000	Investment gains £'000	Transfers & reallocations £'000	31 Dec 2015 £'000
Restricted funds						
<i>Lottery funds</i>						
Big Lottery Fund – Hastings Homeless Service	5	47	(45)	-	-	7
Heritage Lottery Fund – Great War Centenary project	5	28	(32)	-	-	1
<i>Other restricted funds</i>						
Airwing travelling fellowships	165	5	(18)	3	-	155
Building purchases and maintenance	191	148	(133)	-	(87)	119
Community care	9	-	-	-	-	9
Local and sundry funds	900	371	(242)	1	72	1,102
Medical vehicle purchases and maintenance	109	45	(58)	-	(23)	73
R Luff benevolent fund	130	21	(19)	2	-	134
Training funds	248	-	(61)	-	-	187
Volunteer development and welfare	864	470	(841)	-	-	493
Department for Education – Character Education grant	-	140	(140)	-	-	-
Total restricted funds	2,626	1,275	(1,589)	6	(38)	2,280
Endowment funds						
G Holland Trust	110	-	-	1	-	111
R Luff benevolent fund	562	-	-	9	-	571
Doug Spence fund	-	-	-	-	87	87
Other funds	27	-	-	-	-	27
Total endowment funds	699	-	-	10	87	796
Unrestricted funds						
<i>Designated funds</i>						
National awareness campaign	700	-	(383)	-	(317)	-
Purchase and replacement of vehicles	1,900	-	(1,330)	-	1,980	2,550
Development of charitable mission	600	-	(600)	-	-	-
Building refurbishment	3,200	-	(3,200)	-	4,300	4,300
Business processes and systems	900	-	(401)	-	1,001	1,500
	7,300	-	(5,914)	-	6,964	8,350
Fixed asset reserve – representing the book value of unrestricted fixed assets	84,740	-	-	-	(3,284)	81,456
Total designated funds	92,040	-	(5,914)	-	3,680	89,806
Revaluation reserve	11,918	-	-	-	282	12,200
Unrestricted funds	12,146	105,385	(96,965)	192	(4,011)	16,747
Total unrestricted funds	116,104	105,385	(102,879)	192	(49)	118,753
TOTAL FUNDS	119,429	106,660	(104,468)	208	-	121,829

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

24. Total funds, continued

Transfers represent amounts transferred from other unrestricted charitable funds.

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

Transfers between funds primarily represent fixed assets purchased from restricted funds where the acquisition of the fixed assets has discharged the restriction and the assets are transferred to unrestricted charitable funds.

Designated funds

Designated funds which are, except for the fixed asset reserve, expected to be spent in 2016, represent:

- National awareness campaign – funding for media advertising and other marketing and public relations activities
- Purchase and replacement of vehicles – ambulances and other medical vehicles renewal expenditure
- Development of charitable mission – funding for a variety of external projects and internal system enhancements, including retention and recruitment of volunteers, training, transport services, community care and youth activities
- 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.

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. This fund was previously classified as a restricted fund and has been reclassified as an endowment fund during 2015
- Other funds – comprise endowments held at local level to provide income to meet operational requirements.

25. Reconciliation of net income to net cash provided by operating activities

	2015 £m	2014 £m
Net income	2.4	9.5
<i>Adjustments for:</i>		
Net gain on disposal of tangible fixed assets	(3.6)	(2.0)
Gains on investments	(0.2)	(6.9)
Dividends, interest and rents from investments	(1.1)	(0.9)
Depreciation	3.9	3.8
Decrease/(increase) in stocks	0.1	(0.2)
Increase in debtors	(2.7)	(1.9)
Increase/(decrease) in creditors	2.1	(0.8)
Net cash provided by operating activities	0.9	0.6

26. Financial instruments

Carrying amount of financial assets

	2015 £m	2014 £m
Measured at amortised cost	25.9	19.4
Instruments measured at fair value through statement of financial activities	13.2	12.9
	39.1	32.3
Carrying amount of financial liabilities		
Measured at amortised cost	14.0	12.2
	14.0	12.2

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

27. 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.

	2015 £'000	2014 £'000
Income	232	197
Expenditure	(209)	(101)
Operating profit	23	96
Gift aid	(23)	(96)
Retained profit	-	-
Assets	103	136
Liabilities	(103)	(136)
Funds	-	-

28. 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 2015, on behalf of the Priory, St John Ambulance contributed £0.3m to the Order of St John and other priories (2014: £0.3m).

Through the Priory, St John Ambulance is also associated with the Eye Hospital. In 2015 £0.4m was contributed to the support of the Eye Hospital (2014: £0.4m).

29. Pension schemes

Pension arrangements

St John Ambulance participates in The Pensions Trust's Growth Plan, Unitised Ethical Plan (UEP) and Flexible Retirement Plan (FRP), all of which are multi-employer pension plans.

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.

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% during the year. Members paid contributions generally between 1% and 5% during the year. Auto-enrolment of all employees into a pension plan was effected from 1 October 2013. As at the year end there were 1,617 employees (2014: 1,516) of St John Ambulance who were members of the available Pensions Trust plans, including 1,394 in the Growth Plan (2014: 1,305).

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 in the normal course of events 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.

The total pension contributions payable to The Pensions Trust in 2015 were £2.3m (2014: £1.8m). The amount owing to The Pensions Trust at 31 December 2015 was £0.2m (2014: £0.2m).

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

29. Pension schemes, continued

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 in order 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 at 30 September 2014 by a professionally qualified actuary using the projected unit method. The financial assumptions underlying the valuations were as follows:

	2014 valuation	2013 update	2012 update	2011 valuation	2010 update
	% pa	% pa	% pa	% pa	% pa
Investment return pre-retirement	4.2	4.6	4.1	4.9	7.4
Investment return post-retirement	3.3	4.1	3.6	4.2	4.3
Rate of price inflation - Retail Prices Index (RPI)	3.1	3.2	2.6	2.9	3.0
Rate of price inflation - Consumer Prices Index (CPI)	2.2	2.5	2.0	2.4	-

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.

The scheme actuary has prepared a full actuarial valuation as at 30 September 2014. The fair values of the Growth Plan's assets as at the valuation date of 30 September 2014 and the update dates of 30 September 2012 and 2013, as well as at the previous valuation date of 30 September 2011, are shown in the following table:

	2014 valuation	2013 update	2012 update	2011 valuation
	£m	£m	£m	£m
Assets	793.4	772.0	790.3	780.3
Technical provisions (past service liabilities)	(969.9)	(927.5)	(984.1)	(927.9)
Shortfall of assets compared to the value of liabilities	(176.5)	(155.5)	(193.8)	(147.6)
Funding level	81.8%	83.2%	80.3%	84.1%

The actuarial valuation as at 30 September 2014 is the latest available. The next full actuarial valuation will be carried out as at 30 September 2017.

Deficit contributions

The full actuarial valuation for the Growth Plan scheme carried out at 30 September 2011 showed a funding shortfall of £148m. To eliminate this funding shortfall, the trustee asked participating employers to pay additional contributions to the scheme. The total annual additional contributions payable by all participating employers was calculated at £13.9m, increasing by 3% per annum on 1 April each year, from 1 April 2013 to 31 March 2023.

In addition, a full actuarial valuation of the scheme was carried out at 30 September 2014. This valuation showed a funding shortfall of £177m and the required schedule of total additional contributions payable has been extended as a result. The total annual additional contributions payable by all participating employers was calculated at £13.0m, increasing by 3% per annum on 1 April each year, from 1 April 2016 to 31 March 2028. 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 levied at £338,000 per annum after 1 April 2014, increasing to £348,000 per annum payable from 1 April 2015. From 1 April 2016 the amount payable is £345,000 per annum. Payments continue, increasing at 3% per annum, until 31 March 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 given in note 30.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

29. Pension schemes, continued

Cessation of membership

The Growth Plan is classified as a 'last man standing' arrangement. In the event of a complete withdrawal from the Growth Plan by St John Ambulance or if The Pensions Trust 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 potential liability for St John Ambulance, based on the full actuarial valuation at 30 September 2014, is estimated at £6.8m (30 September 2013: £6.4m).

This potential 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.

30. Pension contributions liability

Total pension contributions liability

	2015 £m	2014 £m
Pension contributions payable on salaries	0.2	0.2
Present value of provision relating to additional pension contributions	3.4	2.9
	3.6	3.1
Amounts falling due within one year (see note 18)	0.6	0.5
Amounts falling due after more than one year (see note 19)	3.0	2.6
	3.6	3.1

Reconciliation of opening and closing liabilities relating to additional pension contributions

	2015 £m	2014 £m
Provision at 1 January	2.9	3.0
Unwinding of the discount factor (interest expense)	0.1	0.1
Deficit contribution paid	(0.3)	(0.3)
Remeasurements – impact of any change in assumptions	(0.1)	0.1
Remeasurements – amendments to the contribution schedule	0.8	-
Provision at 31 December	3.4	2.9

Income and expenditure impact

	2015 £m	2014 £m
Interest expense	0.1	0.1
Remeasurements – impact of any change in assumptions	(0.1)	0.1
Remeasurements – amendments to the contribution schedule	0.8	-
Total cost recognised in Statement of Financial Activities	0.8	0.2

Assumptions

	31 December 2015 % per annum	31 December 2014 % per annum
Discount rate used	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.

Deficit contributions schedule

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

Year ending	2015 £'000	2014 £'000
Year 1	346	346
Year 2	353	356
Year 3	363	367
Year 4	374	378
Year 5	385	389
Year 6	397	401
Year 7	409	413
Year 8	421	425
Year 9	434	107
Year 10	334	-

NOTES TO THE ACCOUNTS

for the year ended 31 December 2015, continued

30. Pension contributions liability, continued

Deficit contributions schedule, continued

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.

31. 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.

32. 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 2015, continued

33. Comparative results for the year ended 31 December 2014, by type of fund

	Note	Unrestricted Funds £m	Restricted and Endowment Funds £m	2014 Total £m
Income and endowments from:				
Income from donations and legacies	2	13.0	0.8	13.8
Income from charitable activities:				
First aid training		41.2	0.2	41.4
First aid provision and youth development		7.5	0.8	8.3
First aid - ambulance and transport services		20.8	-	20.8
First aid products		8.3	-	8.3
Community support programmes		1.5	-	1.5
Other charitable activities		0.1	-	0.1
Total income from charitable activities	3	79.4	1.0	80.4
Income from other trading activities	4	1.6	-	1.6
Investment income	5	0.9	-	0.9
Other income				
Net gain on disposal of assets		2.0	-	2.0
Other income		0.6	-	0.6
Total other income		2.6	-	2.6
TOTAL INCOME		97.5	1.8	99.3
Expenditure on:				
Total expenditure on raising funds	7	7.7	-	7.7
Expenditure on charitable activities				
First aid training		32.9	0.2	33.1
First aid provision and youth development		12.5	0.6	13.1
First aid - ambulance and transport services		29.2	-	29.2
First aid products		8.2	-	8.2
Community support programmes		3.2	0.3	3.5
Other charitable activities		1.9	-	1.9
Total resources expended on charitable activities	7	87.9	1.1	89.0
TOTAL EXPENDITURE		95.6	1.1	96.7
Gains on investment assets	9	6.9	-	6.9
NET INCOME		8.8	0.7	9.5
Transfers between funds		0.5	(0.5)	-
NET MOVEMENT IN FUNDS		9.3	0.2	9.5
Fund balances at 1 January 2014		106.8	3.1	109.9
FUND BALANCES AT 31 DECEMBER 2014	24	116.1	3.3	119.4

DIRECTORS AND MANAGEMENT

continued

Senior management team

Ms S A Killen	Chief Executive
Mr S Conway	Director of Brand Marketing, Communications and Fundraising
Mr S Foster	Director of People and Organisation
Mr K Heydenrych	Director of Information Systems and Processes
Mrs W Human	Director of Youth and Community
Ms J T Keaney	Director of Finance and Shared Services, appointed 5 August 2015
Mr G Maydon	Company Secretary
Ms F G McKenzie	Head of Internal Audit
Mr P Savage	Chief Operations Officer, resigned 31 March 2016
Ms A Stevens	Head of Strategy and Business Performance
Mr A Weir	Head of Clinical Services
Mr M M Coombs	Director of Finance and Shared Services, retired 30 June 2015
Mr M Farmer	Director of First Aid Services, appointed 1 April 2016
Mr M Fox	Director of Training, appointed 1 April 2016

Audit and risk committee

Chairman - Mr P Holland CBE DL

Mr P S Bussy	
Mr B R England OBE DL	
Mr S Frost	
Ms A Jarvie CBE	
Mr J N Rose	
Mr D Springthorpe	appointed 2 December 2015
Ms V Storey	appointed 3 March 2015
Mr M W Willis	

Remuneration committee

Chairman - Ms J Mee, appointed 1 November 2015

The Revd. Canon Paul Denby MBE JP DL	
Mr R A R Green CBE	
Mr M Messinger LVO QPM	
Mr S G Russell	retired 31 October 2015
Mr D Springthorpe	appointed 1 January 2016

DIRECTORS AND MANAGEMENT

continued

Nominations committee

Chairman - Mr R A R Green CBE

Mrs A Cable

Mr J Dempster

The Revd. Canon Paul Denby MBE JP DL

The Very Revd. Nicholas Frayling

Ms S Lowndes-Jones

Mrs E Mackinlay

Ms S Morgan

Mrs J Siggers

PRINCIPAL PLACES OF BUSINESS AND ADVISERS

The Priory of England and the Islands

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St John Ambulance

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Telephone: 020 7324 4000
Website: sja.org.uk

Support St John Limited

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Clerkenwell
London
EC1M 4BU

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E14 5HP

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Limited
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EC2N 2DL

Property advisers

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EC4A 2DW

Solicitors

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Insurance brokers

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