

Trade Union's details

Name of Trade Union:

British Air Line Pilots Association

Year ended:

31st December 2018

List number:

70

Head or Main Office address:

BALPA House
5 Heathrow Boulevard
278 Bath Road
West Drayton
UB7 0DQ

Has the address changed during the year to which the return relates?

Yes

No

(Tick as appropriate)

Website address (if available)

www.balpa@balpa.org

General Secretary:

Mr Brian Strutton

Telephone Number:

0208 476 4000

Contact name for queries regarding the completion of this return:

Mrs Julie Rutley

Telephone Number:

0208 476 4063

E-mail:

julierutley@balpa.org

Please follow the guidance notes in the completion of this return. Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 0330 109 3602.

The address to which returns and other documents should be sent are:

-For Unions based in England and Wales: Certification Office for Trade Unions and Employers' Associations, Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX.

-For Unions based in Scotland: Certification Office for Trade Unions and Employers' Associations, Melrose House, 69a George Street, Edinburgh EH2 2JG.



Return of members

(see notes 10 and 11)

	Number of members at the end of the year				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	Totals
Male	13197	227	183	1187	14794
Female	760	12	11	46	829
Total	13957	239	194	1233	A 15623

Number of members at end of year contributing to the General Fund

13648

Number of members included in totals box 'A' above for whom no home or authorised address is held:

1

Change of officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of change
Please see			
attached Annex			
to AR21			
For all NEC			
and BALPA			
Trustee details			

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated

and names:

Annex to AR21 – Annual Return for a Trade Union

BALPA Officers in post at the end of 2018 (includes changes throughout the year)

BALPA National Executive Council

Executive President	Captain Brendan O’Neal
Executive Vice President	Captain Paul Naylor
Committee Members	Captain John Bell Mr. Conor Convey Captain Martin Drake Captain Andrew Hammond Captain Dane Handley Captain William Isherwood-Smith Mr. Jeremy Kinder (to 2 nd November 2018) Captain Paul Monaghan (to 2 nd November 2018) Captain Leo Nugent Mr. James O’Brien (to 2 nd November 2018) Captain Tim Pottage Captain Richard Pullen Captain Enda Ryan (from 3 rd November 2018) Captain Hugh Sheils (from 3 rd November 2018) Captain Simon Williams (from 3 rd November 2018) Mr. Brian Strutton

BALPA Association Trustees

Captain Martin Chalk (from 3rd November 2018)
Captain Alan Evans (to 2nd November 2018)
Captain Andrew Lancefield
Captain David Mabbett
Captain David Smith

General fund
(see notes 13 to 18)

	£	£
Income		
From Members: Contributions and Subscriptions		6,641,148
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		6,641,148
Investment income (as at page 12)		63,461
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	692,333	
Total of other income (as at page 4)		692,333
		Total income
		7,396,942
Expenditure		
Benefits to members (as at page 5)		824,636
Administrative expenses (as at page 10)		6,471,295
Federation and other bodies (specify)		
TUC & Other Affiliation Fees	45,740	
IFALPA	122,264	
ECA	288,774	
Total expenditure Federation and other bodies		456,778
Taxation		
		Total expenditure
		7,752,709
		Surplus (deficit) for year
		(355,767)
		Amount of general fund at beginning of year
		9,581,994
		Amount of general fund at end of year
		9,226,227

Analysis of income from federation and other bodies and other income

(see notes 19 and 20)

Description	£	£
Federation and other bodies		
Total federation and other bodies		
Other income		
Profit on sale of assets	10,891	
Profit on sale of investments	681,442	
Total other income		692,333
Total of all other income		692,333

Analysis of benefit expenditure shown at general fund

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		brought forward	824,636
Cost of defending members	824,636	Education and Training services	
Representation – Non Employment Related Issues		Negotiated Discount Services	
Communications		Salary Costs	
Advisory Services		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
carried forward	824,636	Total (should agree with figure in General Fund)	824,636

Accounts other than the revenue account/general fund

(see notes 21 to 23)

Fund 2		Fund Account	
Name:	Reserve Fund	£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		5,274,479
	Amount of fund at the end of year (as Balance Sheet)		5,274,479
	Number of members contributing at end of year		

Fund 3		Fund Account	
Name:		£	£
Income			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 21 to 23)

Fund 4		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 5		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

(See notes 21 to 23)

Fund 6		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Fund 7		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

Political fund account

(see notes 24 to 33)

Political fund account 1		To be completed by trade unions which maintain their own political fund	
	Income	Members contributions and levies	£
		Investment income (as at page 12)	£
		Other income (specify)	£
		Total other income as specified	
		Total income	
Expenditure under section (82) of the Trade Union and Labour Relations (Consolidation) Act 1992 on purposes set out in section (72) (1) where consolidation of expenditures from the political funds exceeds £2,000 during the period			
	Expenditure A (as at page i)		£
	Expenditure B (as at page ii)		£
	Expenditure C (as at page iii)		£
	Expenditure D (as at page iv)		£
	Expenditure E (as at page v)		£
	Expenditure F (as at page vi)		£
	Non-political expenditure (as at page vii)		£
		Total expenditure	
		Surplus (deficit) for year	
		Amount of political fund at beginning of year	
		Amount of political fund at the end of year (as Balance Sheet)	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	
Political fund account 2		To be completed by trade unions which act as components of a central trade	
	Income	Contributions and levies collected from members on behalf of central political fund	£
		Funds received back from central political fund	£
		Other income (specify)	£
		Total other income as specified	
		Total income	
Expenditure	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		£
	Administration expenses in connection with political objects (specify)		£
	Non-political expenditure		£
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of	
		Amount remitted to central political fund	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

Political fund account expenditure (c)

Expenditure under section 72 (1) (c) of the Trade Union and Labour Relations (Consolidation) Act.

To be completed where total expenditure from the political fund exceeds £2,000
during the period to which return relates.

Expenditure in connection with the registration of electors, the candidature of any person, the selection of any candidate or the holding of any ballot by the union in connection with any election to a political office

Title and Date of election	Name of political party/organisation	Name of candidate, organisation or political party (see note 33(iii))	£
Total			

Expenditure from the political fund not falling within section 72(1) of the trade union & labour relations (consolidation) act 1992

For expenditure not falling within section 72(1) the required information is-

(a) the nature of each cause or campaign for which money was expended, and the total amount expended in relation to each one	£
Total Total expenditure	
Total Total expenditure	
(b) the name of each organisation to which money was paid (otherwise than for a particular cause or campaign), and the total amount paid to each one	£
Total Total expenditure	
(c) the total amount of all other money expended	£
Total Total expenditure	

Analysis of administrative expenses and other outgoings excluding amounts charged to political fund accounts

(see notes 34 and 35)

		£
Administrative Expenses		
Remuneration and expenses of staff		2,954,295
Salaries and Wages included in above	£2,006,008	
Auditors' fees		20,460
Legal and Professional fees		191,755
Occupancy costs		419,318
Stationery, printing, postage, telephone, etc.		116,745
Expenses of Executive Committee (Head Office)		66,547
Expenses of conferences		91,237
Other administrative expenses (specify)		989,251
 Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		43,311
Taxation		
Other outgoings (specify)		
Professional fees increase in provision		20,310
Unrealised loss on revaluation of investments to market value		1,558,066
	Total	6,471,295
Charged to:	General Fund (Page 3)	6,471,295
	Fund (Account)	
	Total	6,471,295



ADMINISTRATIVE EXPENSES 31.12.18

MEMBER TRAVEL	364,626
SUBSISTENCE	129,023
ROOM HIRE	32,787
JOURNALS AND PUBLICATIONS	3,209
SUNDRY EXPENDITURE	9,708
THE 'LOG'	55,617
MEMBER COMMUNICATIONS	38,081
REPRESENTATIVES TRAINING	55,019
COMPUTER COSTS	250,469
CAMPAIGN, RESEARCH	25,604
STAFF ADVERTISING	8,100
STAFF TRAINING	17,008
	<u>989,251</u>

Analysis of investment income

(see notes 47 and 48)

	Political Fund £	Other Fund(s) £
Rent from land and buildings		
Dividends (gross) from:		
Equities (e.g. shares)		
Interest (gross) from:		
Government securities (Gilts)		
Mortgages		
Local Authority Bonds		
Bank and Building Societies		
Other investment income (specify)		
Deposit interest and dividends		63,461
		Total investment income
		63,461
Credited to:		
		General Fund (Page 3)
		63,461
		Fund (Account)
		Political Fund
		Total Investment Income
		63,461

Balance sheet as at

31.12.18

(see notes 49 to 52)

Previous Year		£	£
97,112	Fixed Assets (at page 14)	74,668	
13,866,873	Investments (as per analysis on page 15)	14,049,338	
	Quoted (Market value £ 14,049,338)		
1,000	Unquoted	1,000	
	Total Investments		14,125,006
	Other Assets		
	Loans to other trade unions		
98,601	Sundry debtors	176,301	
1,425,379	Cash at bank and in hand	798,882	
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
1,523,980	Total of other assets		975,183
15,488,965	Total assets		15,100,189
9,581,994	General Fund (Account)		9,226,227
5,274,479	Reserve Fund (Account)		5,274,479
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	Liabilities		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
	Loans: Other		
	Bank overdraft		
	Tax payable		
632,492	Sundry creditors		599,483
	Accrued expenses		
	Provisions		
	Other liabilities		
632,492	Total liabilities		599,483
15,488,965	Total assets		15,100,189

Fixed assets account

(see notes 53 to 57)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold £	Leasehold £				
Cost or Valuation						
At start of year			154,903	130,063		284,966
Additions			22,711	-		22,711
Disposals			(69,921)	(50,491)		(120,412)
Revaluation/Transfers						
At end of year			107,693	79,572		187,265
Accumulated Depreciation						
At start of year			106,245	81,609		187,854
Charges for year			20,713	22,598		43,311
Disposals			(68,077)	(50,491)		(118,568)
Revaluation/Transfers						
At end of year			58,881	53,716		112,597
Net book value at end of year			48,812	25,856		74,668
Net book value at end of previous year			48,658	48,454		97,112

Analysis of investments

(see notes 58 and 59)

	All Funds Except Political Funds £	Political Fund £
Quoted		
Equities (e.g. Shares)	14,049,338	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	14,049,338	
Market Value of Quoted Investment	14,049,338	
Unquoted		
Equities		
Subsidiary company	1,000	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)	1,000	
Market Value of Unquoted Investments	1,000	

Analysis of investment income (controlling interests)

(see notes 60 and 61)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
Company name	Company registration number (if not registered in England & Wales, state where registered)		
BALPA Financial Solutions	2153894		
Flight Crew Risk Solutions	38865 (Registered in Guernsey)		
Are the shares which are controlled by the union registered in the names of the union's trustees?		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
Company name	Names of shareholders		
Please see Annex to AR21			
for details of the NEC			
and BALPA Custodian Trustees			

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	6,641,148		6,641,148
From Investments	63,461		63,461
Other Income (including increases by revaluation of assets)	692,333		692,333
Total Income	7,396,942		7,396,942
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	7,752,709		7,752,709
Funds at beginning of year (including reserves)	14,856,473		14,856,473
Funds at end of year (including reserves)	14,500,706		14,500,706
Assets			
Fixed Assets			74,668
Investment Assets			14,050,338
Other Assets			975,183
		Total Assets	15,100,189
Liabilities			
		Total Liabilities	599,483
Net assets (Total Assets less Total Liabilities)			14,500,706

Information on Industrial action ballots

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?

YES

If Yes How many ballots were held: 1

For each ballot held please complete the information below:

Ballot 1

Number of individuals who were entitled to vote in the ballot 80

Number of votes cast in the ballot 63

Number of Individuals answering "Yes" to the question 57 ¹

Number of Individuals answering "No" to the question 6 ²

Number of invalid or otherwise spoiled voting papers returned 0 ³

*** 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? N

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

Ballot 2

Number of individuals who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question ¹

Number of Individuals answering "No" to the question ²

Number of invalid or otherwise spoiled voting papers returned ³

*** 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot Y / N

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? Y / N

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot Y / N

For additional ballots please continue on next page

Ballot 3

Number of individuals who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question [redacted] 1

Number of Individuals answering "No" to the question [redacted] 2

Number of invalid or otherwise spoiled voting papers returned [redacted] 3

*** 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot **Y / N**

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? **Y / N**

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot **Y / N**

Ballot 4

Number of individuals who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question [redacted] 1

Number of Individuals answering "No" to the question [redacted] 2

Number of invalid or otherwise spoiled voting papers returned [redacted] 3

*** 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot **Y / N**

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? **Y / N**

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot **Y / N**

Ballot 5

Number of individuals who were entitled to vote in the ballot

Number of votes cast in the ballot

Number of Individuals answering "Yes" to the question [redacted] 1

Number of Individuals answering "No" to the question [redacted] 2

Number of invalid or otherwise spoiled voting papers returned [redacted] 3

*** 1-3 should total "Number of votes cast in the ballot"**

Were the number of votes cast in the ballot at least 50% of the number of individuals who were entitled to vote in the ballot **Y / N**

Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)? **Y / N**

If yes, were the number of individuals answering "Yes" to the question (or each question) at least 40% of the number of individuals who were entitled to vote in the ballot **Y / N**

Use a continuation sheet if necessary

Information on Industrial action

(see note 81)

*Categories of Nature of Trade Dispute :

A: terms and conditions of employment, or the physical conditions in which any workers are required to work;

B: engagement or non-engagement, or termination or suspension of employment or the duties of employment, of one or more workers;

C: allocation of work or the duties of employment between workers or groups of workers;

D: matters of discipline;

E: a worker's membership or non-membership of a trade union;

F: facilities for officials of trade unions;

G: machinery for negotiation or consultation, and other procedures, relating to any of the above matters, including the recognition by employers or employers' associations of the right of a trade union to represent workers in such negotiation or consultation or in the carrying out of such procedures

Did Union members take industrial action during the return period in response to any inducement on the part of the Union? NO

If **YES**, for each industrial action taken please complete the information below:

Industrial Action 1

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

Industrial Action 2

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

Industrial Action 3

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:

3. Number of days of industrial action:

4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

use a continuation page if necessary

Industrial Action 4

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:
 3. Number of days of industrial action:
 4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

Industrial Action 5

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:
 3. Number of days of industrial action:
 4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

Industrial Action 6

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:
 3. Number of days of industrial action:
 4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

Industrial Action 7

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:
 3. Number of days of industrial action:
 4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

Industrial Action 8

1. please tick the nature of the trade dispute for which industrial action was taken using the categories* below:

A B C D E F G

2. Dates of the industrial action taken:
 3. Number of days of industrial action:
 4. Nature of industrial action. Strike Action / Action Short of a Strike (delete one as appropriate)

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

I. Accounting Convention

These financial statements have been prepared under the historical cost convention and in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland with the exception of the defined benefit pension scheme which has departed from the requirements of FRS 102 Section 28 Employee Benefits as detailed below.

Going Concern

After making enquires, the National Executive Committee has a reasonable expectation that the Association has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

II. Membership Subscriptions

Subscriptions are accounted for on a receivable basis. Arrears and amounts outstanding have been included after making provision for the amounts which are deemed irrecoverable.

III. Fixed Assets

Fixed Assets are stated at historical cost.

Depreciation is provided on all fixed assets to write each asset down to its estimated residual value evenly over its expected useful life as follows:-

Office Furniture and Equipment	Over 10 years
Computer Equipment	Over 4 years
Campaign Equipment	Over 5 years
Motor Vehicles	Over 4 years

Profit or loss on disposal of tangible fixed assets is calculated as disposal proceeds less opening carrying value.

IV. Fixed Investments

Investments are stated in the balance sheet at their open market value. Provision is made against investments where there is a permanent diminution in market value to below cost. There was no such provision at the year-end or at the prior year-end. Gains and losses on disposal are calculated as the difference between the gross cost and net proceeds. These are accounted for when realised.

Investment income is accounted for on a cash received basis.

V. Taxation

The Association is liable to corporation tax on its investment income and realised gains on investments sold. As a trade union, relief is available in respect of provident benefits expenditure as statutorily defined. Provision for taxation has been made in respect of all income brought into these accounts where such income is subject to taxation. No provision for deferred taxation is made as the Association does not intend to dispose of its investment assets in the foreseeable future and the calculated amount would be immaterial to the financial statements.

VI. Legal Costs

The Association accounts for legal fees and related disbursements on an accruals basis.

VII. Operating Leases

Rentals payable under operating leases are charged in the income and expenditure account on a straight line basis over the lease term.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

VIII. Financial instruments

The only financial instruments held by the Association are debtors, creditors, loans and investments. Investments are referred to in Note 1.IV above and, the remaining are categorised as 'basic' in accordance with Section 11 of FRS 102 and are initially recognised at transaction price. These are subsequently measured at transaction price less any impairment.

IX. Pension Costs

The BALPA 1973 scheme

This is a multi-employer occupational defined benefit scheme.

Group Income and Expenditure Account and Balance Sheet

With regard to the group income and expenditure account, the defined benefit pension scheme current service costs are charged within staff costs of each entity. The expected return on the scheme assets less the scheme interest costs are charged to net pension finance costs. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

BALPA Income and Expenditure Account and Balance Sheet

As it is not possible to identify BALPA's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis, in accordance with Section 28 of FRS 102, BALPA accounts for the scheme as if it were a defined contribution scheme in its Income and Expenditure Account and Balance Sheet. The contributions, which are in accordance with the recommendations of the actuary, are charged in the period in which the salaries to which they relate are payable.

The Standard Life scheme (GSIPP) Group Self Invested Personal Pension

This is a defined contribution group personal pension plan. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

X. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the union. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

In preparing these Financial Statements, the Association has made the following judgements:

Useful lives of property, plant and equipment

Depreciation is provided so as to write down the assets over their estimated useful lives. The selection of these estimated lives requires the exercise of management judgement. Useful lives are reviewed on a regular basis.

Investments

Quoted investments are disclosed at mid-market values at the balance sheet date. Unquoted investments are disclosed at their original cost.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

IX. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

Legal provisions

Provision is made for the estimated cost of settling all known claims at the balance sheet date. Judgement is applied, in determining the appropriate level of provision because the actual outcome of the claim can be uncertain until the case is determined and an agreement to settle has been made.

Recognition of BALPA 1973 Scheme

As noted above, the Association is a member of a defined benefit pension scheme. As it is not possible to identify BALPA's share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis, BALPA accounts for the scheme as if it were a defined contribution scheme in its Income and Expenditure Account and Balance Sheet.

The BALPA 1973 scheme continues to operate with the existing members, and is a defined benefit scheme for its employees whose assets are held in independent trustee administered funds. Contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method, the most recent valuation being at 31 December 2015. In 2009 the BALPA 1973 pension scheme was closed to new participants. The rates of contribution are Employee 6.5% and Employer 13%. In 2018, exceptional payments were made to the BALPA 1973 scheme of £585,000 (2017: £1,585,000).

At 31 December 2018, the liability of the Group scheme was calculated as £12,613,000 (2017: £12,917,000) using the following assumptions.

Principal assumptions at the balance sheet date

	2017	2017
Discount rate	2.65%	2.65%
Price inflation (RPI)	3.20%	3.20%
Price inflation (CPI)	2.20%	2.20%
Rate of increase in salaries	2.50%	2.50%
Expected rate of return on scheme assets	2.65%	2.65%
Cash commutation allowance	Members commute 20.00% of pension for cash S2NXA YoB, CMI 2016 projection	Members commute 20.00% of pension for cash S2NXA YoB, CMI 2016 projection
Mortality table	1.0% pa	1.0% pa

Notes to the accounts

(see notes 82 and 83)

All notes to the accounts must be entered on or attached to this part of the return.

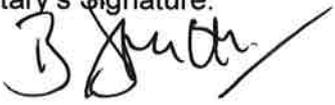
Accounting policies

(see notes 84 and 85)

Signatures to the annual return

(see notes 86 and 87)

including the accounts and balance sheet contained in the return. Please send the return with the original signatures. Copies will not be accepted.

Secretary's Signature:  Name: B STRATTON Date: 4.6.2019	Chairman's Signature: (or other official whose position should be stated)  Name: Paul Nayak Date: 4.6.2019
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Checklist

(see notes 88 and 89)

(please tick as appropriate)

Has the return of change of officers been completed? (see Page 2 and Note 12)	Yes	✓	No	
Has the list of officers in post been completed? (see Page 2a and Note 12)	Yes	✓	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	✓	No	
Has the auditor's report been completed? (see Pages 24 and 25 and Notes 2 and 92)	Yes	✓	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	✓	No	
A member's statement is: (see Note 104)	Enclosed		To follow	✓
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	✓	No	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 to 103)	Yes	✓	No	

Checklist for auditor's report

(see notes 90 to 96)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 92 and 93)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 92)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the section 28 to 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Independent Auditor's Report to the Members of the British Air Line Pilots Association

Opinion

We have audited the consolidated financial statements of the British Air Line Pilots Association (the 'Association') and its subsidiaries (the 'Group') for the year ended 31 December 2018 which comprise the Income and Expenditure Account, the Consolidated Income and Expenditure Account, the Balance Sheet, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and the Association's affairs as at 31 December 2018 and of the Group's result for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Executive Council is responsible for the other information. The other information comprises the information included in the Report of the General Secretary, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We are required by the Trade Union and Labour Relations (Consolidation) Act 1992 to report to you by exception in respect of the following matters if, in our opinion:

- A satisfactory system of control over transactions has not been maintained.
- The Association has not kept proper accounting records.
- The accounts are not in agreement with the books of account.
- We have not received all the information and explanations we need for our audit.

We have nothing to report to you in respect of the above matters.

Responsibilities of the Executive Council

As explained more fully in the Statement of the Executive Council's Responsibilities, the Executive Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Executive Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Council is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Association's members, as a body, in accordance with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Chartered Accountants, Statutory Auditor

150 Aldersgate Street, London, EC1A 4AB

Auditor's report (continued)

Signature(s) of auditor or auditors:	BDO LLP	
Name(s):	BDO LLP	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es):	150 Aldersgate Street London EC1A 4AB	
Date:	18 June 2019	
Contact name for enquiries and telephone number:	Gareth Jones 020 7354 9191	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Membership audit certificate
made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992
(See notes 97 to 103)

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

YES/NO

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21

Membership audit certificate
Section one

For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to appoint an independent assurer

1. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES/NO

2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

YES/NO

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.

Membership audit certificate (continued)

Signature of assurer	300 LLP
Name	300 LLP
Address	150 Aldersgate Street London EC1A 4AB
Date	18 June 2019
Contact name and telephone number	Careth Jones 020 7354 9191