

Balfour Beatty

Group Staff Association

STATEMENT TO MEMBERS ISSUED IN CONNECTION WITH THE UNION'S ANNUAL RETURN FOR PERIOD ENDED 31ST DECEMBER 2019 AS REQUIRED BY SECTION 32A OF TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT 1992

Income and Expenditure

The total income of the union for the period was £17,741.12. This amount included payments of £17,668.00 in respect of membership of the union. The union's expenditure for the period was £10,074.60. The union does not maintain a political fund.

Salary paid to and other benefits provided to the General Secretary, President and members of the Executive

The General Secretary was not paid any amount in respect of salary or benefits.

Irregularity statement

A member who is concerned that some irregularity may be occurring, or have occurred in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concerns with such one or more of the following as it seems appropriate to raise it with; the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of the rules of the union and contemplates bringing civil proceedings against the union or responsibility officials or trustees, he should consider obtaining independent legal advice.

Auditor's report

Alexander Sloan – See attached Auditors Report

BALFOUR BEATTY GROUP

STAFF ASSOCIATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2019

BALFOUR BEATTY GROUP STAFF ASSOCIATION

Legal and Administrative Information

Trade Union Name Balfour Beatty Group Staff Association

List Number 410T

Central Staff Committee

Chairman: Ben Timson

Vice-Chairman: Vacant

Honorary Treasurer: Simon Frost - Resigned 01/12/19

Ellamay Hagues - Appointed 01/12/19

General Secretary: Susan West

**Principal Office and
Registered office**

West Service Road
Raynesway
Derby
DE21 7BG

Bankers

Nationwide
11A George Street
Croydon
Surrey
CR9 1HP

Auditors

Alexander Sloan
Accountants and Business Advisers
50 Melville Street
Edinburgh
EH3 7HF

BALFOUR BEATTY GROUP STAFF ASSOCIATION

Report of the Central Staff Committee for the year ended 31 December 2019

The Central Staff Committee present their report and the financial statements of the Association for the year ended 31 December 2019.

Central Staff Committee

Those who served on the Central Staff Committee serving during the year and since the year end are detailed on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Balfour Beatty Group Staff Association is a trade union that is governed by its Constitution and Rules.

Organisational Structure and Appointment of Members

Central Staff Committee comprise the Chairman, Vice-Chairman, General Secretary and an Honorary Treasurer.

The Committee elects a Chairman whose term of office shall be for three years but who shall be eligible for re-election. In the event of the Chairman of the Association failing to be so re-elected at the end of any three year period, he shall remain a member of the Central Committee for the ensuing year. The Committee will also elect a Deputy Chairman from amongst its members and appoint a General Secretary and a Treasurer. Terms of Office shall likewise be for three years unless previously determined in accordance with these rules and holders shall be eligible for re-election. All necessary elections shall if possible take place in October.

OBJECTIVES

- To regulate the relations between the Staff and Management of the Balfour Beatty Group of Companies and to afford a means of communication, consultation and negotiation between the Staff and Management on the terms and conditions of employment (including salary structures) and the general welfare of the Staff whilst in no way restricting any Staff Member's individual approach to Management.
- To promote in every way the interests of the Staff whilst recognising that the interests of the Group and the Staff are mutual in the long term.
- To administer such funds as may be at the disposal of the Association.
- To promote social and educational activities amongst members.

FINANCIAL REVIEW

As indicated on page 7, the Association reported a Net Surplus for the year of £7,207 (2018 – £726).

Reserves

As indicated on page 8, the Capital Fund, which represents the free reserves of the Association, had a closing balance at 31 December 2019 of £77,107 (2018 - £69,900).

Covid-19

At the date on which the financial statements were approved, the UK was being impacted by the Coronavirus (Covid-19) pandemic. The Central Staff Committee has been monitoring the position and assessed its plans for the remainder of 2020.

BALFOUR BEATTY GROUP STAFF ASSOCIATION

Report of the Central Staff Committee for the year ended 31 December 2019

Given the £1 monthly subscription from Association members, the Central Staff Committee does not anticipate a significant reduction in the Association's income for 2020 whilst acknowledging the likelihood of reduced expenditure should Covid-19 continue to curtail the Association's activities in 2020. By virtue of the Association's reserves of £77,107 at 31 December 2019 (2018 - £69,900), the Central Staff Committee is confident that the Association has sufficient financial strength to weather the Covid-19 storm and continue its activities. See also Note 5 on page 9.

Statement of the Central Staff Committee's Responsibilities

The Central Staff Committee is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to trade unions, the Trade Union and Labour Relations (Consolidation) Act 1992, requires the Central Staff Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and which explain its transactions. In preparing these financial statements, giving a true and fair view, the Central Staff Committee is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Association will continue in operation.

The Central Staff Committee is responsible for keeping proper accounting records with respect to the Association's transactions and its assets and liabilities and maintaining a satisfactory system of control of its accounting records, its cash holdings and all its receipts and remittances. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Central Staff Committee on 20 May 2020 and signed on their behalf by:

Susan West

Susan West
General Secretary

BALFOUR BEATTY GROUP STAFF ASSOCIATION

Independent Auditor's Report to the Members of Beatty Group Staff Association

Opinion

We have audited the financial statements of Balfour Beatty Group Staff Association for the year ended 31 December 2019 which comprise the Income and Expenditure Account, the Balance Sheet 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, Financial Reporting Standard (FRS) 105 The Financial Reporting Standard applicable to the Micro-entities Regime (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's financial affairs as at 31 December 2019 and of its transactions in the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, specifically FRS 105; and
- have been prepared in accordance with the requirements of sections 28, 32 and 36 of the Trade Union and Labour Relations (Consolidation) Act 1992 and the Constitution.

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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Central Staff Committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Central Staff Committee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Matters on which we are Required to Report by Exception

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion:

- the Association has not kept proper accounting records; or
- it has not maintained a satisfactory system of control over its transactions; or
- if the financial statements to which the Annual Return relates do not agree with the accounting records; or
- if we have not received all the information and explanations we require for our audit.

BALFOUR BEATTY GROUP STAFF ASSOCIATION

Independent Auditor's Report to the Members of Beatty Group Staff Association (continued)

Respective Responsibilities of the Central Staff Committee

As explained more fully in the statement of the Central Staff Committee's Responsibilities, the Central Staff Committee 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 Central Staff Committee 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 Central Staff Committee 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 Central Staff Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 33 of the Trade Union and Labour Relations (Consolidation) Act 1992 and report in accordance with that Act. 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 FRC's Ethical Standard.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the members of the Association, as a body, in accordance with Section 36 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.



Alexander Sloan

Accountants and Business Advisers
Statutory Auditor

50 Melville Street
Edinburgh
EH3 7HF

Date: 22 May 2020

Alexander Sloan is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

BALFOUR BEATTY GROUP STAFF ASSOCIATION**Income and Expenditure Account for the year ended 31 December 2019**

	2019		2018	
	£	£	£	£
Income				
Subscriptions		17,668		18,703
Interest		<u>73</u>		<u>69</u>
		17,741		18,772
Expenditure				
Legal fees	319		6,838	
Legal Advisor Cards	3,683		3,600	
Secretarial	-		54	
Audit	2,328		2,227	
Prize Draw	2,400		2,400	
Promotional stationery	<u>1,804</u>		<u>2,927</u>	
		10,534		18,046
Net Surplus for the year		<u><u>7,207</u></u>		<u><u>726</u></u>

The Notes on pages 8 and 9 form an integral part of these financial statements

BALFOUR BEATTY GROUP STAFF ASSOCIATION**Balance Sheet as at 31 December 2019**

	Notes	2019 £	2018 £
Current Assets			
Debtors	2	4,389	4,242
Cash at bank		75,574	67,806
Creditors: amounts falling due within one year			
	3	(2,856)	(2,148)
Net Assets		<u><u>77,107</u></u>	<u><u>69,900</u></u>
Represented by:			
Capital Fund	4	<u><u>77,107</u></u>	<u><u>69,900</u></u>

The financial statements were approved and authorised for issue by the Central Staff Committee on 20 May 2020 and signed on its behalf by:

Ben Timson

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Ben Timson, Chairman

Ellamay Hagues

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Ellamay Hagues, Treasurer

Susan West

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Susan West, General Secretary

The Notes on pages 8 and 9 form an integral part of these financial statements

BALFOUR BEATTY GROUP STAFF ASSOCIATION**Notes to the Financial Statements****For the year ended 31 December 2019****1. Accounting Policies*****Basis of Accounting***

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and the Financial Reporting Standard applicable to the Micro-entities Regime (effective July 2015).

Going concern

The Central Staff Committee is obliged to consider the appropriateness of the going concern assumption when preparing the financial statements. Given that the Covid-19 pandemic has created a degree of uncertainty, the Central Staff Committee has assessed its potential impact on the Association's finances and future. Further disclosure regarding the Central Staff Committee's assessment in terms of the impact of Covid-19 is outlined on pages 2 and 3 and in Note 6 on page 9. Consequently, the Central Staff Committee believes that there are no material uncertainties affecting the Association's ability to continue as a going concern and, accordingly, the financial statements are prepared on a going concern basis.

Value Added Tax

The Association is not registered for VAT and accordingly, expenditure includes VAT where applicable.

Fixed Assets

Items of equipment costing under £1,000 are written off to the Income and Expenditure Account in the year of acquisition. Items costing more than £1,000 will be capitalised and depreciated over their estimated useful lives.

2. Debtors

	2019	2018
	£	£
Debtors (Subscriptions)	1,441	1,542
Prepayments	2,948	2,700
	<u>4,389</u>	<u>4,242</u>

3. Creditors: amounts falling due within one year

	2019	2018
	£	£
Accruals	2,856	2,148
	<u>2,856</u>	<u>2,148</u>

BALFOUR BEATTY GROUP STAFF ASSOCIATION**Notes to the Financial Statements****For the year ended 31 December 2019****4. Capital Fund**

	2019	2018
	£	£
At 1 January 2019	69,900	69,174
Net Surplus for the year	7,207	726
At 31 December 2019	<u>77,107</u>	<u>69,900</u>

5. Related Party Transactions

The Central Staff Committee are Members of the Balfour Beatty Group Staff Association as required by its Constitution and Rules. Each Member contributes a monthly £1 subscription under normal terms and conditions.

6. Events after the reporting date**Non-Adjusting Post Balance Sheet Event**

At the date on which the financial statements were approved, the full financial implications resulting from the Coronavirus (Covid-19) outbreak, which has affected the UK from February 2020, were uncertain. Having assessed the possible impact of Covid-19 on the Association's income and expenditure, the Central Staff Committee is of the opinion that the Covid-19 outbreak is a non-adjusting post Balance Sheet event and that the Association's assets are not impaired.