

Form AR21

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for a Trade Union

Name of Trade Union:	British Air Line Pilots Association		
Year ended:	31st December 2019		
List no:	70T		
Head or Main Office address:	BALPA House		
	5 Heathrow Boulevard		
	278 Bath Road		
	West Drayton		
	Middx		
Postcode	UB7 0DQ		
Website address (if available)	www.balpa		
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	('X' in appropriate box)
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:			

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

You should send the annual return to the following email address stating the name of the union in subject:

For Unions based in England and Wales: returns@certoffice.org

For Unions based in Scotland: ymw@tccyoung.co.uk

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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	13,659	244	119	1,202	15,224
Female	830	8	7	55	900
Other					
Total	14,489	252	126	1,257	A 16,124

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

13,480

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

2

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

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

Officers in post

(see note 12)

Please complete list of all officers in post at the end of the year to which this return relates.

Name of Officer	Position held
Captain P Naylor	Executive President
Captain T Pottage	Executive Vice President
Captain J Bell	National Executive Council
Ms A Brezonakova	National Executive Council
Mr C Convey	National Executive Council
Captain A Hammond	National Executive Council
Captain D Handley	National Executive Council
Captain W Isherwood-Smith	National Executive Council
Mr M Keane	National Executive Council
Captain L Nugent	National Executive Council
Mr J O'Brien	National Executive Council
Captain E Ryan	National Executive Council
Captain H Shiels	National Executive Council
Captain S Williams	National Executive Council
Mr B Strutton	National Executive Council
Captain D Boys	BALPA Custodian Trustee
Captain M Chalk	BALPA Custodian Trustee
Captain J Hatton	BALPA Custodian Trustee
Captain A Lancefield	BALPA Custodian Trustee

General Fund

(see notes 13 to 18)

	£	£
Income		
From Members: Contributions and Subscriptions		7,265,444
From Members: Other income from members (specify)		
Total other income from members		
Total of all income from members		7,265,444
Investment income (as at page 12)		96,669
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	2,212,472	
Total of other income (as at page 4)		2,212,472
		9,574,585
	Total income	
	Interfund Transfers IN	
Expenditure		
Benefits to members (as at page 5)		1,192,706
Administrative expenses (as at page 10)		10,988,311
Federation and other bodies (specify)		
TUC & Other Affiliation Fees		49,228
IFALPA		138,760
ECA		316,846
Total expenditure Federation and other bodies		504,834
Taxation		
	Total expenditure	12,685,851
	Interfund Transfers OUT	
	Surplus (deficit) for year	-3,111,266
Amount of general fund at beginning of year		1,887,706
Amount of general fund at end of year		-1,223,560

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	
Any Other Sources	
Profit on sale of assets	8,812
Profit on sale of investments	1,059,910
Unrealised gain on investments	1,143,750
Total other sources	2,212,472
Total of all other income	2,212,472

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	1,192,706
Cost of defending members	1,192,706	Advisory Services	
		Other Cash Payments	
Representation – Non Employment Related Issues		Education and Training services	
		Negotiated Discount Services	
Communications		Other Benefits and Grants (specify)	
Dispute Benefits			
carried forward	1,192,706	Total (should agree with figure in General Fund)	1,192,706

(See notes 21 and 23)

Fund 2		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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 3		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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 and 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		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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 and 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		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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 and 23)

Fund 8		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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 9		Fund Account	
Name:		£	£
Income	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
	Interfund Transfers IN		
Expenditure	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Interfund Transfers OUT		
	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 <u>Balance Sheet</u>)	
		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 contribute to the political fund	
Political fund account 2		To be completed by trade unions which act as components of a central trade union	
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 year	
		Amount remitted to central political	
		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 (b)

Expenditure under section 72 (1) (a) 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 of money on the provision of any services or property for use by or on behalf of any political party

Name of political party to which payment was made	Total amount paid during the period
	£
Total	

Political fund account expenditure (d)

Expenditure under section 72 (1) (a) 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 on the maintenance of any holder of political office	
Name of office holder	£
Total	

Political fund account expenditure (f)

Expenditure under section 72 (1) (a) 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

On the production, publication or distribution of any literature, document, film, sound recording or advertisement the main purpose of which is to persuade people to vote for a political party or candidate or to persuade them not to vote for a political party or candidate

Name of organisation or political party	£
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 expenditure

(b) the name of each organisation to which money was paid (otherwise than for a particular cause of campaign), and the total amount paid to each one

£

Total expenditure

£

(c) the total amount of all other money expended

Total expenditure

Total of all expenditures

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		2,920,160
Salaries and Wages included in above	2,031,422	
Auditors' fees		21,960
Legal and Professional fees		809,397
Occupancy costs		428,015
Stationery, printing, postage, telephone, etc.		108,708
Expenses of Executive Committee (Head Office)		39,305
Expenses of conferences		89,344
Other administrative expenses (specify)		
Member Travel		403,189
Room Hire & Subsistence		161,243
Journals & Publications		3,292
Sundry Expenditure		10,131
The 'LOG'		106,437
Member Communications		65,664
Reps Training		87,070
Computer Costs		240,713
Campaign, Research		184,548
Staff Training & Advertising		12,738
Other Outgoings		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Depreciation		34,139
Professional Fees Increase in Provision		188,286
Provision for dilapidations		272,972
Actuarial Loss on Defined Benefit Scheme		4,801,000
tretert		
Total		10,988,311
Charged to:	General Fund (Page 3)	10,988,311
Total		10,988,311

Analysis of officials' salaries and benefits

(see notes 36 to 46 below)

Office held	Gross Salary	Employers N.I. contributions	Benefits			Total
	£	£	Pension Contributions £	Other Benefits		£
				Description	Value	
					£	
General Secretary	115,736	14,787	15,046	Car	6,784	152,353

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)			
Interest and dividends on investments			96,669
			96,669
		Total investment income	96,669
		Credited to:	
		General Fund (Page 3)	96,669
		Political Fund	
		Total Investment Funds	96,669

Balance sheet as at

(see notes 49 to 52)

Previous Year		£	£
74,668	Fixed Assets (at page 14)		66,885
1,000	Investments (as per analysis on page 15)		
12,529,253	Quoted (Market value £ (14,741,506)		14,741,506
	Unquoted		1,000
	Total Investments		14,742,506
	Other Assets		
	Loans to other trade unions		
176,301	Sundry debtors		315,938
2,318,967	Cash at bank and in hand		2,167,364
	Income tax to be recovered		
	Stocks of goods		
	Others (specify)		
	Total of other assets		2,483,302
15,100,189	Total assets		17,292,693
1,887,706	General fund (page 3)		-1,223,560
	Political Fund Account		
	Liabilities		
	Amount held on behalf of central trade union political fund		
£599,483	liabilities		907,280
			272,973
£12,613,000			17,336,000
	Total liabilities		18,516,253
	Total assets		17,292,693

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			107,692	79,574		187,266
Additions			31,464			31,464
Disposals			-31,554	-41,311		-72,865
Revaluation/Transfers						
At end of year			107,602	38,263		145,865
Accumulated Depreciation						
At start of year			58,881	53,720		112,601
Charges for year			19,799	14,340		34,139
Disposals			-31,554	-36,206		-67,760
Revaluation/Transfers						
At end of year			47,126	31,854		78,980
Net book value at end of year			60,476	6,409		66,885
Net book value at end of previous year			48,811	25,854		74,665

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	14,741,506	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	14,741,506	
Market Value of Quoted Investment	14,741,506	
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



No



If YES name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
BALPA Financial Solutions	21538964
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



No



If NO, state the names of the persons in whom the shares controlled by the union are registered.

Company name	Names of shareholders

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds	Political Funds £	Total Funds £
Income			
From Members	7,265,444		7,265,444
From Investments	96,669		96,669
Other Income (including increases by revaluation of assets)	2,212,472		2,212,472
Total Income	9,574,585		9,574,585
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	12,685,851		12,685,851
Funds at beginning of year (including reserves)	1,887,706		1,887,706
Funds at end of year (including reserves)	-1,223,560		-1,223,560
Assets			
Fixed Assets			66,885
Investment Assets			14,742,506
Other Assets			2,483,302
		Total Assets	17,292,693
Liabilities		Total Liabilities	18,516,253
Net Assets (Total Assets less Total Liabilities)			-1,223,560

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see notes 74 to 80)

Did the union hold any ballots in respect of industrial action during the return period?		<input type="button" value="Yes"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text" value="2"/>		
For each ballot held please complete the information below:		
Ballot 1		
Number of individual who were entitled to vote in the ballot	<input style="width: 50px;" type="text" value="617"/>	
Number of votes cast in the ballot	<input style="width: 50px;" type="text" value="445"/>	
Number of Individuals answering "Yes" to the question	<input <sup="" style="width: 50px;" type="text" value="353"/> 1	
Number of individuals answering "No" to the question	<input <sup="" style="width: 50px;" type="text" value="91"/> 2	
Number of invalid or otherwise spoiled voting papers returned	<input <sup="" style="width: 50px;" type="text" value="1"/> 3	
		1-3 should total "Number of votes cast"
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		<input type="button" value="Yes"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?		<input type="button" value="No"/>
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		<input style="width: 50px;" type="text"/>
Ballot 2		
Number of individual who were entitled to vote in the ballot	<input style="width: 50px;" type="text" value="3,891"/>	
Number of votes cast in the ballot	<input style="width: 50px;" type="text" value="3,504"/>	
Number of Individuals answering "Yes" to the question	<input <sup="" style="width: 50px;" type="text" value="3,250"/> 1	
Number of individuals answering "No" to the question	<input <sup="" style="width: 50px;" type="text" value="253"/> 2	
Number of invalid or otherwise spoiled voting papers returned	<input <sup="" style="width: 50px;" type="text" value="1"/> 3	
		1-3 should total "Number of votes cast"
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		<input type="button" value="Yes"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?		<input type="button" value="No"/>
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		<input style="width: 50px;" type="text"/>
Ballot 3		
Number of individual who were entitled to vote in the ballot	<input style="width: 50px;" type="text"/>	
Number of votes cast in the ballot	<input style="width: 50px;" type="text"/>	
Number of Individuals answering "Yes" to the question	<input style="width: 50px;" type="text"/> ¹	
Number of individuals answering "No" to the question	<input style="width: 50px;" type="text"/> ²	
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 50px;" type="text"/> ³	
		1-3 should total "Number of votes cast"
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		<input style="width: 50px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?		<input style="width: 50px;" type="text"/>
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		<input style="width: 50px;" type="text"/>

Ballots & Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

Ballot 4

Number of individual 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"

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)?

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

Ballot 5

Number of individual 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"

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)?

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

Ballot 6

Number of individual 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"

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)?

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

Ballots and Industrial Action: If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

(see note 81)

***Categories of Nature of Trade Dispute**

- A: terms and conditions of employment, or the physical conditions in which any workers require 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? YES/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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

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: to

3. Number of days of industrial action:

4. Nature of industrial action.

Ballots & Industrial Action- If you have 6 or more entries for either of these, please complete the Excel Spreadsheet

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.

See separate sheet

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

2. COMPARATIVE RESTATED AMOUNTS

The 2018 BALPA entity-only income and expenditure account and balance sheet have been restated to recognise the BALPA 1973 defined benefit pension scheme liability. This had previously been recognised in the group balance sheet only and a departure from FRS102 was stated in the accounting policies. The employer contributions to the scheme deficit were previously recognised through the BALPA entity-only income and expenditure statement. This has been restated to recognise the admin costs associated with the defined benefit scheme through the income and expenditure statement with the employer contributions recognised as a movement in the liability. The net impact of these adjustments through the income expenditure statement was £78,000. The opening and closing defined benefit pension scheme liabilities in the 2018 BALPA entity-only accounts agrees through to the figures disclosed in the group accounts for the same period. We have noted a further restatement of the comparatives within Note 7 – Investments.

3. PROFESSIONAL FEES PROVISION

The regime adopted in 2018 for legal work to be billed on an ongoing and monthly basis facilitated the monitoring of the legal spend in support of BALPA members for the majority of the legal work which is generally employment related. This reduced the need to provision large amounts of income at year end to the next financial year. However, there were still a number of personal injury (PI) claims that required significant and ongoing work. In Scotland there were ongoing PI claims for helicopter pilots suffering from neck and back injuries caused by faulty survival equipment and in England for airline pilots in BA suffering similar but due to the position of the CDSS on certain aircraft types. For PI work the costs are resolved at the end of the case, which in some cases can take several years to conclude. After the Event insurance is always a consideration to assist with the exposure to the other side's costs. Generally, PI claims are settled in advance of court hearings because employers and their insurers prefer not to make admissions of liability and the focus of BALPA's work is to act in the interests of the members to help them secure a reasonable level of compensation for their injuries and, where necessary, to pursue industrial efforts to make changes to practices and procedures through H&S channels to stop recurrences of injuries. Legal advice is always followed to ensure that this object of BALPA is achieved. In the 2019 accounts we added a provision of £188k for ongoing PI work and some high profile legal work covering ongoing claims in the High Court to challenge the PPF and DWP on behalf of Monarch and bmi pilots and work that overlapped the year end in support of pilots in Thomas Cook and bmi Regional for Protective Award claims being held in the Employment Tribunal.

4. POST BALANCE SHEET EVENT

In July 2020 BALPA's subsidiary BALPA Financial Solutions Ltd ceased conducting financial advisory functions. It is planned that their net profits will be transferred to BALPA on completion of winding up activities. At that time 100% of the 500,000 £1 ordinary share capital of Flight Crew Risk Solutions PCC Limited will be transferred to BALPA. It is anticipated to complete these transactions by the end of 2020.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

5. TAXATION

The Association has no liability to Corporation Tax for the year. The Association's Subsidiary BALPA Financial Solutions had a corporation tax liability of £33,425 for the year ended 31 December 2019 (2018: £14,651).

6. TANGIBLE FIXED ASSETS

	BALPA		
	Furniture and equipment	Motor Vehicles	Total
	£	£	£
Cost			
At 1 January 2019	107,692	79,574	187,266
Additions	31,464	-	31,464
Disposals	(31,554)	(41,311)	(72,865)
At 31 December 2019	107,602	38,263	145,865
Depreciation			
At 1 January 2019	58,881	53,720	112,601
Charge for year	19,799	14,340	34,139
Disposals	(31,554)	(36,206)	(67,760)
At 31 December 2019	47,126	31,854	78,980
Net book value			
At 31 December 2019	60,476	6,409	66,885
<i>At 31 December 2018</i>	<i>48,811</i>	<i>25,854</i>	<i>74,665</i>

	GROUP		
	Furniture and equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 January 2019	116,980	79,574	196,554
Additions	32,314	-	32,314
Disposals	(31,554)	(41,311)	(72,865)
At 31 December 2019	117,740	38,263	156,003
Depreciation			
At 1 January 2019	68,169	53,720	121,889
Charge for year	19,988	14,340	34,328
Disposals	(31,554)	(36,206)	(67,760)
At 31 December 2019	56,603	31,854	88,457
Net book value			
At 31 December 2019	61,137	6,409	67,546
<i>At 31 December 2018</i>	<i>48,811</i>	<i>25,854</i>	<i>74,665</i>

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

7. FIXED ASSET INVESTMENTS

Subsidiaries

BALPA owns all the 1,000 issued ordinary shares of £1 of BALPA Financial Solutions Limited, a company registered in England and Wales (company number 2153894). In turn, BALPA Financial Solutions owns 100% of the 500,000 £1 ordinary share capital of Flight Crew Risk Solutions PCC Limited (part paid to the value of £100,000), a company registered in Guernsey (company number 38865). The results of both subsidiary companies are included in the consolidated accounts.

Listed investments

	BALPA	FRS PCC Limited	2019	2018 (Restated)
	£	£	£	£
Market value at 1 January 2019	10,146,112	689,547	10,835,659	12,555,284
Additions at cost	2,054,580	-	2,054,580	2,329,357
Disposal proceeds	(7,370,097)	-	(7,370,097)	(3,257,351)
Net gains/(losses) on investment assets	<u>2,203,659</u>	<u>13,946</u>	<u>2,217,605</u>	<u>(791,630)</u>
Market value at 31 December 2019	<u>7,034,254</u>	<u>703,493</u>	<u>7,737,747</u>	<u>10,835,660</u>
Cash held for reinvestment	<u>7,707,252</u>	-	<u>7,707,252</u>	<u>2,383,140</u>
Total value of Investments	<u>14,741,506</u>	<u>703,493</u>	<u>15,444,999</u>	<u>13,218,800</u>

Investment funds are managed by Alliance Trust and are held in the name of BALPA Custodian Trustees. A declaration of trust has been executed in favour of the Association. Flight Crew Risk Solutions PCC Limited holds an investment in a collective investment fund. The underlying investments in the fund consist wholly or substantially of ground rents. The fund is a Non-UCITS Retail Scheme within the meaning of the rules contained in the Collective Investment Scheme Sourcebook (the 'FCA Regulations').

During the year the classification of cash held on deposit has been reconsidered and included within current assets as the cash is accessible within 12 months for operational use. Previously it was included within fixed asset investments. The cash held within the investment portfolio and as a longer-term investment have been extracted from total investments to show these balances more clearly. The comparative figures have also been restated.

8. DEBTORS

	BALPA		Group	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	-	-	415,150	511,903
Prepayments and accrued income	82,372	70,089	121,504	107,901
Reinsurance recoveries	-	-	1,767,286	1,092,356
Other debtors	<u>233,566</u>	<u>106,212</u>	<u>100,365</u>	<u>217,268</u>
	<u>315,938</u>	<u>176,301</u>	<u>2,404,305</u>	<u>1,929,428</u>

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	BALPA		Group	
	2019	2018	2019	2018
	£	£	£	£
Other taxes and social security costs	-	-	8,714	8,131
Other creditors	591,995	476,971	1,244,857	1,621,302
Outstanding insurance claims	-	-	2,945,476	1,820,593
Provision for insurance claims incurred	-	-	283,791	319,224
Provisions	315,285	122,512	315,285	122,512
Corporation tax	-	-	33,425	14,596
Accruals and deferred income	-	-	167,172	86,554
	907,280	599,483	4,998,720	3,992,912

10. ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

The remuneration of the General Secretary consisted of:

	2019	2018
	£	£
Salary (including non-pensionable pay)	115,736	118,222
Benefits	6,784	5,970
Employers National Insurance Contributions	14,787	14,277
Employers Pension Contributions	15,046	14,537
	152,353	146,606

11. COMMITMENTS UNDER OPERATING LEASES

At the year-end annual commitments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Land and buildings:		
Within one year	191,400	191,400
Two to five years	606,100	765,600
More than five years	-	31,900
Total	797,500	988,900
Other:		
Within one year	29,035	21,544
Two to five years	59,239	52,007
More than five years	715	715
	88,989	74,266

12. **FINANCIAL ADVICE AND INSURANCE BUSINESS OPERATED THROUGH SUBSIDIARY COMPANIES**

12 (a) Income and expenditure account

	2019	2018
	£	£
Income		
Commissions and fees	815,105	<i>710,514</i>
Transfer from underwriting account (See note 12b)	<u>(192,857)</u>	<i><u>573,015</u></i>
	<u>622,248</u>	<i><u>1,283,529</u></i>
Expenditure		
Payroll costs	458,994	<i>413,635</i>
Management fee	276,535	<i>250,000</i>
Legal costs	48,276	<i>46,352</i>
Other costs	<u>255,479</u>	<i><u>184,199</u></i>
	<u>1,039,284</u>	<i><u>894,186</u></i>

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

12. INSURANCE BUSINESS OPERATED THROUGH SUBSIDIARY COMPANIES (CONTINUED)

12 (b) Underwriting account

	2019 £	2018 £
Insurance premium revenue		
Gross written premiums	1,860,466	1,742,896
Brokerage commission	(251,555)	(235,291)
Reinsurance premium	(955,740)	(894,220)
Profit commission (expense)/income	(19,524)	48,840
	633,647	662,225
Net premiums written		
Movement in unearned premiums	(88,699)	63,142
Movement in deferred brokerage	11,974	(8,524)
Movement in unexpensed reinsurance premium	45,161	(31,165)
	602,083	685,678
Claims paid	(951,051)	(1,221,684)
Gross amount recovered	570,631	733,011
	(380,420)	(488,673)
Changes in technical provisions, net of insurance		
Movement in claims recoverable	674,930	(527,638)
Movement in IBNR reserve	35,433	24,252
Movement in outstanding loss reserve	(1,124,883)	879,396
	(794,940)	(112,663)
Total technical charges	(794,940)	(112,663)
Balance on the technical account for general business	(192,857)	573,015

Note 12 above includes the results of both subsidiaries, BALPA Financial Solutions Limited and Flight crew Risk Solutions PCC Limited. Full statutory accounts are prepared for both companies. The financial statements of BALPA Financial Solutions Limited are available from Companies House or its registered address, BALPA House, 5 Heathrow Boulevard, 278 Bath Road, West Drayton, Middlesex, UB7 0DQ. The financial statements of Flight crew Risk Solutions PCC Limited are available by request from BALPA House, 5 Heathrow Boulevard, 278 Bath Road, West Drayton, Middlesex, UB7 0DQ

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

13. PENSION COMMITMENTS

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 based on triennial valuations using the projected unit method, the most recent valuation being at 31 December 2018. In 2008 the BALPA 1973 pension scheme was closed to new participants and a new defined contribution scheme was set up with Standard life. The rates of contribution are Employee 6.5% and Employer 13%.

The Scheme is managed by a board of Trustees appointed in part by the Employer and part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers. There were no plan amendments, curtailments or settlements during the period.

In 2019 exceptional payments were made to the BALPA 1973 Pension scheme totalling £585,000 (2018: £1,585,000).

The amounts recognised in the balance sheet are as follows:

	2019	2018
	£000	£000
Present value of funded obligations	(37,875)	(31,580)
Fair value of plan assets	20,539	18,967
Deficit	(17,336)	(12,613)
Amounts in the balance sheet:		
Liabilities	(17,336)	(12,613)
Net liability	(17,336)	(12,613)

Changes in the present value of the defined benefit obligation are as follows:

	2019	2018
	£000	£000
Opening defined benefit obligation	31,580	32,907
Current service cost	182	206
Employee contributions	49	53
Past service cost	-	32
Interest cost	905	863
Benefits paid	(787)	(714)
Changes to demographic assumptions	749	(69)
Experience(gain) on defined benefit obligation	-	(237)
Changes to financial assumptions	5,197	(1,461)
Defined benefit obligation at end of year	37,875	31,580

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

13. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of the scheme assets are as follows:

	2019	2018
	£000	£000
Opening fair value of scheme assets	18,967	19,990
Interest on assets	548	530
Employer contributions	802	810
Employee contributions	49	53
Benefits paid	(787)	(714)
Administration costs	(185)	(160)
Return on Scheme assets less interest	1,145	(1,542)
Fair value of scheme assets at the year end	20,539	18,967

The amounts included within the income and expenditure account are as follows:

	2019	2018
	£000	£000
Current service cost	182	206
Administration costs	185	160
Interest on pension liabilities	905	863
Interest on assets	(548)	(530)
Past service costs	-	32
Total amount charged to consolidated income and expenditure	724	731
(Gain)/ Loss on assets in excess of interest	(1,145)	1,542
Experience (gains) on liabilities	-	(237)
Loss/ (Gains) from changes to demographic assumptions	749	(69)
Loss/(gains) from changes to financial assumptions	5,197	(1,461)
Total amount (charged)/ charged to other comprehensive income	4,801	(225)

The major categories of scheme assets as a percentage of total Scheme assets are as follows:

	2019	2018
Growth Assets	99.4%	93.8%
Cash	0.6%	6.2%

The Scheme is invested in Standard Life's Global Absolute Return Strategies Fund, which has an annual target return of LIBOR plus 5%. The overall expected return is based on this target level. The Scheme is also invested in the Standard Life Money Market Pension Fund and this is included within the cash balance above.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1. PENSION COMMITMENTS (CONTINUED)

Principal assumptions at the balance sheet date

	2019	2018
Discount rate	2.00%	2.90%
Price inflation (RPI)	3.00%	3.20%
Price inflation (CPI)	2.00%	2.20%
Rate of increase in salaries	2.50%	2.50%

Cash commutation allowance	Members commute 20.00% of pension for cash S3NA tables with CMI 2017 projections using a long-term improvement rate of 1.00%	<i>Members commute</i> <i>20.00% of pension for</i> <i>cash</i> <i>S3NA tables with CMI</i> <i>2017 projections using</i> <i>a long-term</i> <i>improvement rate of</i> <i>1.00%</i>
Post-retirement mortality		

	2019	2018
Life expectancy at age 65 of male aged 45	23.5	23.1
Life expectancy at age 65 of male aged 65	22.4	22.0
Life expectancy at age 65 of female aged 45	25.9	25.2
Life expectancy at age 65 of female aged 65	24.8	24.0

Accounting policies

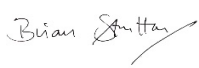
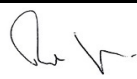
(see notes 84 and 85)

See separate sheet

Signatures to the annual return

(see notes 86 & 87)

Including the accounts and balance sheet contained in the return. Please copy and paste your electronic signature here

<p>General Secretary's Signature: </p> <p>Name: Brian Strutton</p> <p>Date: 19.10.20</p>	<p>Executive President (Chairman's) </p> <p>(or other official whose position should be stated)</p> <p>Name: Paul Naylor</p> <p>Date: 19.10.20</p>
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Checklist

(see notes 88 to 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 2 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 20 and 21 and Notes 2 and 77)	Yes		No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes		No	
A member statement is: (see Note 80)	Enclosed		To follow	
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes		To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes		No	

1. ACCOUNTING POLICIES

BALPA is a certified trade union with its registered office and place of meeting for business at BALPA House, 5 Heathrow Boulevard, 278 Bath Road, West Drayton, UB7 0DQ.

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 and the Trade Union and Labour Relations Act 1992.

Going Concern

In their assessment of going concern the NEC considered the current and developing impact on the business as a result of the COVID19 virus. This has had a significant, immediate impact on the union's operations as a result of reduced membership income because of furlough, reduced pay and redundancies from within the pilot community, which in turn led to a downsizing of the BALPA HQ operation. There is a great deal of uncertainty within the aviation industry which is very sensitive to changes in government policy and restrictions on travel which may have a further effect on membership income. The union will be undertaking a review of its cost base through 2021 and it is possible that reserves and cash would have to decrease by the end of 2021 as it manoeuvres through an unchartered economic environment following the recovery from the pandemic. However, it is BALPA's firm intention to live within its means based on forecast income and strict adherence to the budget.

The NEC updated their annual budgets and forecasts based on current estimates of the impact of the pandemic and considered a number of scenarios which might occur. Having considered in detail the most likely scenario and applied some sensitivity analysis to this forecast they are satisfied that they have adequate cash reserves and investments available to meet their operating cash requirements for the foreseeable future.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements

Group Accounts

BALPA has consolidated the activities of its subsidiaries BALPA Financial Solutions Limited and Flight crew Risk Solutions PCC Limited into the financial statements. Advantage has been taken of exemptions under FRS 102 Section 33 not to disclose balances with or transactions between group entities that are eliminated on consolidation.

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 less depreciation.

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.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

IV. Dilapidation provision

Provision is made for the legal obligation on the property lease to reinstate the premises to the condition it was in at the date the lease was signed. The provision is based on a recent review completed by a registered surveyor. The provision is expected to be utilised the sooner of the works occurring or at the point of termination of the lease.

V. Financial instruments

The only financial instruments held by the Group are classified as 'basic' in accordance with Section 11 of FRS 102. These are cash, debtors, creditors, loans, and investments. Financial instruments are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below.

At the balance sheet date BALPA held financial assets measured at fair value of £7,737,747 (2018: £10,835,660).

VI. Listed Investments

Investments are stated at fair value, being the quoted market price. Where there is expected to be a permanent diminution in market value to below cost, provision is made. There was no such provision at the year-end or at the prior year-end. Investment income is accounted for on a receivable basis.

Movements in the fair value of investments are included in the income and expenditure account as unrealised gains or losses. Profits or losses on sale of investments are recognised in the income and expenditure account when a sale is made.

VII. Other Investments

Other investments are stated at cost and reviewed annually for impairment. Other investments represent the amounts held by Flight crew Risk Solutions PCC Limited. Other investments are part of a collective investment scheme that is managed and whose performance is evaluated and reported internally on a fair value basis in accordance with a documented investment strategy.

VIII. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

IX. Taxation

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.

X. Legal Costs

The Association accounts for legal fees and related disbursements on an accrual's basis.

XI. 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 2019

XII. Pension Costs

The group operates two pension schemes. The BALPA 1973 scheme is a defined benefit pension scheme and The Standard Life scheme (GSIPP) Group Self Invested Personal Pension is a defined contribution scheme.

The BALPA 1973 scheme

This is an occupational defined benefit scheme. The disclosures required to be made under Section 28 of FRS102 are made in note 11.

The defined benefit pension scheme current service costs are charged within staff costs. The expected return on the scheme assets less the scheme interest costs are charged to net pension finance costs. Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur. 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.

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.

XIII. Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities and disclosure of contingent assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

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.

Defined benefit pension valuation

The cost of the defined benefit pension plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates and Association policy.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

XIV. In addition to the above, the following accounting policies have been applied with respect to the Association's subsidiary companies, both of which operate in the insurance industry

a. Premiums

Premiums are recorded on an "earned" basis, remitted monthly. Outward reinsurance premiums are accounted for in the same year as the premiums for the related direct insurance.

b. Claims paid

Claims paid include all payments made in respect of the year with associated claims settlement expenses.

c. Insurance claims outstanding

Outstanding claims comprise provisions for the estimated cost of settling all claims incurred up to but not paid at the balance sheet date whether recorded or not, together with the relevant claim's settlement expenses. All reasonable steps are taken to ensure that appropriate information regarding claims exposure is obtained. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The estimation of claims incurred but not reported (IBNR) is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified, where information about the claim event is generally available.

d. Reinsurance recoveries

Provisions for claims are calculated gross of any reinsurance recoveries. A separate estimate is made for the amounts that will be recoverable from reinsurers based upon the gross provision and having made an estimate of their recoverability from market data on the financial strength of each of the reinsurance companies.

e. Underwriting account

The underwriting profit or loss is transferred annually to the profit and loss account after making adequate provisions for known outstanding claims and claims incurred but not reported.

f. Foreign exchange movement

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the foreign currency contract. Assets and liabilities in foreign currencies are translated into Sterling at the financial year end exchange rates or, if hedged forward, at the rate of exchange under the foreign currency contract. All exchange gains and losses are taken to the income and expenditure account.

Checklist for auditor's report

(see notes 90 and 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 related? (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 sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

See separate sheet

Signature(s) of auditor or auditors:

Crowe U.K. LLP

Name(s):

Crowe U.K.LLP

Profession(s) or Calling(s):

Chartered Accountants

Address(es):

55 Ludgate Hill

London

Postcode

EC4M 7JW

Date

19-Oct-20

Contact name for inquiries and telephone number:

020 7842 7276 Mrs T Allison

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

AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH AIR LINE PILOTS ASSOCIATION

We have audited the financial statements of the British Air Line Pilots Association for the year ended 31 December 2019 which comprise the income and expenditure, balance sheet and related notes included within the AR21 as set out on pages 3 to 22 of the AR21. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Association's members, as a body. 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 opinion we have formed.

Respective responsibilities of Officers and Auditors for the Financial Statements

The Trade Union and Labour Relations (Consolidation) Act 1992 and the Trade Union Reform and Employment Rights Act 1993 require the officers of the Association to keep proper accounting records which give a true and fair view of the state of affairs of the Association and explain its transactions; establish and maintain a satisfactory system of control of the accounting records, cash holdings and all the receipts and remittances; prepare an annual return for the Certification Officer giving a true and fair view of the revenue account and balance sheet and provide members of the Association with a statement of income and expenditure for the year. We have been appointed as auditor under section 33 of the Trade Union and Labour Relations (Consolidation) Act 1992 and report in accordance with Section 36 of 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the officers; and the overall presentation of the financial statements.

We read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the British Air Line Pilots Association affairs as at 31 December 2019 and of its transactions for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations Act 1992.

Matters on which we report by exception

We have nothing to report in respect of the following matters where the Trade Unions and Labour Relations Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- a satisfactory systems of control over its accounting records, cash holdings and receipts and remittances has not been maintained; or
- the financial statements are not in agreement with the accounting records or returns.

Crowe U.K. LLP

Crowe U.K. LLP
London

19 October 2020

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 reportign period proceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

Yes

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

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

Yes

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	Crowe U.K. LLP
Name	Crowe U.K. LLP
Address	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW, UK
Date	19-Oct-20
Contact name and telephone number	020 7842 7276 Mrs T Allison