

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 2022			
List no:	70			
Head or Main Office address:	1 Heathrow Boulevard			
	1st Floor East Suite			
	286 Bath Road			
	West Drayton			
	Middx			
Postcode	UB7 0DQ			
Website address (if available)	www.balpa.org			
Has the address changed during the year to which the return relates?	Yes	<input checked="" type="checkbox"/>	No <input type="checkbox"/>	('X' in appropriate box)
General Secretary:	Mr Martin Chalk			
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

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

returns@certoffice.org

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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
	12,789	210	99	962	14,060
Total	12,789	210	99	962	A 14,060

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

12,449

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

46

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			
31.12.2022			

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:

Annex to AR21 – Annual Return for a Trade Union

BALPA Officers in post at the end of 2022

BALPA National Executive Council

Executive President	Captain Paul Naylor
Executive Vice President	Miss Samantha Walkinshaw

Committee Members	Captain John Bell Mr. Aiden Brown (from 4 th November) Captain Nicholas Brown (to 3 rd November 2022) Captain Paul Copland (from 4 th November 2022) Mr. James Furness (to 11 th July 2022) Captain Chris Godesar Captain Andrew Hammond Mr. David Heaven (from 4 th November 2022) Mr. Simon Morgan Captain Simon Morris Captain William Owen (from 4 th November 2022) Captain Hugh Sheils Mr. Adam Walker Captain Simon Williams (to 3 rd November 2022) Mr. Martin Chalk
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BALPA Association Trustees

Captain David Boys
Captain Dane Handley
Captain John Hatton
Captain David Kirk

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 investments	626,438
Unrealised loss on investments	-3,107,335
Actuarial gain on the Defined Benefit Pension scheme	9,878,000
Total other sources	7,397,103
Total of all other income	7,397,103

Analysis of benefit expenditure shown at the General Fund

(see notes 21 to 23)

			£
Representation – Employment Related Issues		brought forward	844,836
Cost of defending members	844,836	Advisory Services	
Representation – Non Employment Related Issues		Other Cash Payments	
		Education and Training services	
Communications		Negotiated Discount Services	
Dispute Benefits		Other Benefits and Grants (specify)	
carried forward	844,836	Total (should agree with figure in General Fund)	844,836

(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		

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	

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		1,713,624
Salaries and Wages included in above	1,566,719	
Auditors' fees		25,524
Legal and Professional fees		424,127
Occupancy costs		362,878
Stationery, printing, postage, telephone, etc.		48,166
Expenses of Executive Committee (Head Office)		35,870
Expenses of conferences		44,226
Other administrative expenses (specify)		
Member Travel		146,870
Room Hire & Subsistence		70,619
Journals & Publications		2,396
Sundry Expenditure		8,914
The 'LOG'		28,995
Member Communications		24,070
Reps Training		29,786
Computer Costs		307,029
Campaign, Research		14,296
Staff Training & Advertising		26,194
Other Outgoings		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Depreciation		67,444
Professional Fees decrease in Provision		-279,370
Loss on sale of assets		3,654
Total		3,105,312
Charged to:	General Fund (Page 3)	3,105,312
Total		3,105,312

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			79,677
			79,677
		Total investment income	79,677
		Credited to:	
		General Fund (Page 3)	79,677
		Political Fund	
		Total Investment Funds	79,677

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			61,402			61,402
Additions			314,664			314,664
Disposals			-21,310			-21,310
Revaluation/Transfers						
At end of year			354,756			354,756
Accumulated Depreciation						
At start of year			39,747			39,747
Charges for year			67,444			67,444
Disposals			-17,656			-17,656
Revaluation/Transfers						
At end of year			89,535			89,535
Net book value at end of year						
Net book value at end of year			265,221			265,221
Net book value at end of previous year						
Net book value at end of previous year			21,655			21,655

Analysis of investments

(see notes 58 and 59)

Quoted	All Funds Except Political Funds £	Political Fund £
Equities (e.g. Shares)	12,845,120	
Government Securities (Gilts)		
Other quoted securities (to be specified)		
Total quoted (as Balance Sheet)	12,845,120	
Market Value of Quoted Investment	12,845,120	
Unquoted		
Equities		
Subsidiary Companies	1,614,087	
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
Total unquoted (as Balance Sheet)	1,614,087	
Market Value of Unquoted Investments	12,845,120	

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"/>
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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 <input checked="" type="checkbox"/>	No <input type="checkbox"/>
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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	6,685,474		6,685,474
From Investments	79,677		79,677
Other Income (including increases by revaluation of assets)	7,397,103		7,397,103
Total Income	14,162,254		14,162,254
Expenditure (including decreases by revaluation of assets)			
Total Expenditure	4,192,604		4,192,604
Funds at beginning of year (including reserves)	4,702,485		4,702,485
Funds at end of year (including reserves)	14,672,135		14,672,135
Assets			
Fixed Assets			265,221
Investment Assets			14,459,207
Other Assets			2,966,225
		Total Assets	17,690,653
Liabilities		Total Liabilities	3,018,518
Net Assets (Total Assets less Total Liabilities)			14,672,135

Summary sheet

(see notes 62 to 73)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members			
From Investments			
Other Income (including increases by revaluation of assets)			
Total Income			
Expenditure (including decreases by revaluation of assets)			
Total Expenditure			
Funds at beginning of year (including reserves)			
Funds at end of year (including reserves)			
Assets			
Fixed Assets			
Investment Assets			
Other Assets			
		Total Assets	
Liabilities			
		Total Liabilities	
Net Assets (Total Assets less Total Liabilities)			

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="text" value="No"/>
If Yes How many ballots were held: <input style="width: 50px;" type="text"/>	
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: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" 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: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" 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: 60px;" type="text"/>
Ballot 2	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" 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: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" 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: 60px;" type="text"/>
Ballot 3	
Number of individual who were entitled to vote in the ballot	<input style="width: 80px;" type="text"/>
Number of votes cast in the ballot	<input style="width: 80px;" type="text"/>
Number of Individuals answering "Yes" to the question	<input style="width: 80px;" type="text"/> ¹
Number of individuals answering "No" to the question	<input style="width: 80px;" type="text"/> ²
Number of invalid or otherwise spoiled voting papers returned	<input style="width: 80px;" 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: 60px;" type="text"/>
Does section 226(2B) of the 1992 Act apply in relation to this ballot (see notes 76-80)?	<input style="width: 60px;" 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: 60px;" 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

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 attached notes pages.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. TAXATION

The Association has no liability to Corporation Tax for the year.

3. TANGIBLE FIXED ASSETS

	Furniture and equipment	Leasehold Improvements	Assets Under Construction	Total
	£		£	£
Cost				
At 1 January 2022	61,402	-	48,000	109,402
Additions	46,573	268,091	115,200	429,864
Disposals	(21,310)	-	-	(21,310)
At 31 December 2022	<u>86,665</u>	<u>268,091</u>	<u>163,200</u>	<u>517,956</u>
Depreciation				
At 1 January 2022	39,747	-	-	39,747
Charge for year	13,826	53,618	-	67,444
Disposals	(17,656)	-	-	(17,656)
At 31 December 2022	<u>35,917</u>	<u>53,618</u>	<u>-</u>	<u>89,535</u>
Net book value				
At 31 December 2022	<u>50,748</u>	<u>214,473</u>	<u>163,200</u>	<u>428,421</u>
<i>At 31 December 2021</i>	<u>21,655</u>	<u>-</u>	<u>48,000</u>	<u>69,655</u>

Asset Under Construction is an investment to upgrade to a new BALPA membership database and casework management system, consisting of software licencing and project management. Original cost estimate of the project is £487k by the year 2025, with £163,200 provided for by the end of 2022.

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4. FIXED ASSET INVESTMENTS

Listed Investments

	2022	2021
	£	£
Market value at 1 January 2022	14,308,495	13,142,324
Additions at cost	4,952,012	119,097
Disposal proceeds	(4,901,188)	(935,137)
Net (losses)/gains on investment assets	(2,480,897)	1,982,211
Market value at 31 December 2022	11,878,422	14,308,495
Cash held for reinvestment	966,698	962,044
Total value of Investments	12,845,120	15,270,539

Investment funds are managed by Cazenove and are held in the name of BALPA Custodian Trustees. A declaration of trust has been executed in favour of the Association.

Other Investments

Investment in BALPA Financial Solutions Ltd	1,000	1,000
Investment in Flightcrew Risk Solutions PCC Ltd	1,613,087	1,613,087
	1,614,087	1,614,087

In 2021 the Union acquired a 100% share of ownership in Flightcrew Risk Solutions PCC Ltd, a protected cell company registered in Guernsey (no. 38865), from BALPA Financial Solutions Ltd. This was completed by means of an in-specie dividend and the investment holding reflects the fair value of the company at the point of acquisition.

5. DEBTORS

	2022	2021
	£	£
Prepayments and accrued income	118,727	477,912
	118,727	477,912

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	543,281	376,323
Accruals and provisions	388,237	455,412
	<hr/>	<hr/>
	931,518	831,735

7. ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

The remuneration of the General Secretary consisted of:

	2022	2021
	£	£
Salary (including non-pensionable pay)	92,000	110,937
Benefits	532	5,090
Employers National Insurance Contributions	12,054	13,989
Employers Pension Contributions	-	8,436
	<hr/>	<hr/>
	104,586	138,452

The 2021 figures represented an amalgam of two General Secretaries salaries and benefits as a new General Secretary was appointed mid-year.

8. COMMITMENTS UNDER OPERATING LEASES

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

	2022	2021
	£	£
Land and buildings:		
Within one year	127,860	31,900
Two to five years	383,580	
	<hr/>	<hr/>
Total	511,440	31,900
Other:		
Within one year	30,853	42,765
Two to five years	67,283	63,769
More than five years		
	<hr/>	<hr/>
	98,136	106,534

**THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. 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 2021. 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 2022 exceptional payments were made to the BALPA 1973 Pension scheme totalling £697,500 (2021: £670,000).

The amounts recognised in the balance sheet are as follows:

	2022	2021
	£000	£000
Present value of funded obligations	(23,751)	(38,817)
Fair value of plan assets	21,664	26,045
Deficit	<u>(2,087)</u>	<u>(12,772)</u>
Amounts in the balance sheet:		
Liabilities	<u>(2,087)</u>	<u>(12,772)</u>
Net liability	<u>(2,087)</u>	<u>(12,772)</u>

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

	2022	2021
	£000	£000
Opening defined benefit obligation	38,817	43,446
Current service cost	-	169
Employee contributions	-	29
Past service costs	(475)	-
Interest cost	703	536
Benefits paid	(1,428)	(1,174)
Changes due to settlements and curtailments	-	248
Changes to demographic assumptions	-	24
Experience(gain) on defined benefit obligation	645	(1,560)
Changes to financial assumptions	(14,511)	(2,901)
Defined benefit obligation at end of year	<u>23,751</u>	<u>38,817</u>

**THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. PENSION COMMITMENTS (CONTINUED)

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

	2022	2021
	£000	£000
Opening fair value of scheme assets	26,045	24,889
Interest on assets	472	308
Employer contributions	698	746
Employee contributions	-	29
Benefits paid	(1,428)	(1,174)
Administration costs	(135)	(164)
Return on Scheme assets less interest	(3,988)	1,411
	<hr/>	<hr/>
Fair value of scheme assets at the year end	21,664	26,045

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

	2022	2021
	£000	£000
Current service cost	-	169
Administration costs	135	164
Interest on pension liabilities	703	536
Past service costs	(475)	-
Interest on assets	(472)	(308)
Settlement and curtailment cost	-	248
	<hr/>	<hr/>
Total amount charged to consolidated income and expenditure	(109)	809
	<hr/>	<hr/>
Gain on assets in excess of interest	3,988	(1,411)
Experience losses on liabilities	645	(1,560)
Loss from changes to demographic assumptions	-	24
Loss from changes to financial assumptions	(14,511)	(2,901)
	<hr/>	<hr/>
Total amount charged to other comprehensive income	(9,878)	(5,848)

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 2022**

9. PENSION COMMITMENTS (CONTINUED)

Principal assumptions at the balance sheet date

	2022	2021
Discount rate	4.85%	1.85%
Price inflation (RPI)	3.40%	3.70%
Price inflation (CPI)	3.00%	2.70%

Cash commutation allowance	Members commute 20.00% of pension for cash S3NA tables with CMI 2020 projections using a long-term improvement rate of 1.25%. The initial addition is .25% p.a. and the 2020 weight is 0%.	<i>Members commute 20.00% of pension for cash S3NA tables with CMI 2020 projections using a long-term improvement rate of 1.25%. The initial addition is .25% p.a. and the 2020 weight is 0%</i>
Post-retirement mortality		

	2022	2021
Life expectancy at age 65 of male aged 45	23.8	23.8
Life expectancy at age 65 of male aged 65	22.5	22.5
Life expectancy at age 65 of female aged 45	26.4	26.3
Life expectancy at age 65 of female aged 65	25.0	24.9

THE BRITISH AIR LINE PILOTS ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

BALPA is a certified trade union with its registered office and place of meeting for business at BALPA, 1 Heathrow Boulevard, 1st Floor East Suite, 286 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

The NEC continues to be vigilant, since the effects of COVID, and disciplined in staying within planned budgets. Despite demand for our activity increasing, this has meant that the steady increase in our income as flying has returned has been able to provide an increasing buffer against any further shocks.

BALPA has always operated a policy of spending only within our subscription income, developing a healthy investment reserve. Our continued disciplined approach across the last couple of difficult years has enabled us to largely maintain that policy.

The NEC updated their annual budgets and forecasts based on current estimates 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.

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

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 2022

IV. 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 £12,845,120 (2021: £15,270,539).

V. 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.

VI. Other Investments

Other investments are stated at cost and reviewed annually for impairment. 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.

VII. 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.

VIII. 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.

IX. Legal Costs

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

X. 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 2022

XI. 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.

XII. 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 2022

XIII. 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.

Accounting policies

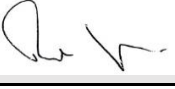
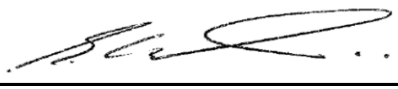
(see notes 84 and 85)

See attached accounting policies.

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

Executive Presidents Signature: 	Executive Vice-Presidents Signature: 
Name: Captain Paul Naylor	Name: Ms Samantha Walkinshaw <small>(or other official whose position should be stated)</small>
Date: 28th June 2023	Date: 28th June 2023

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	<input checked="" type="checkbox"/>	No	
Has the list of officers in post been completed? (see Page 2 and Note 12)	Yes	<input checked="" type="checkbox"/>	No	
Has the return been signed? (see Pages 23 and 25 and Notes 86 and 95)	Yes	<input checked="" type="checkbox"/>	No	
Has the auditor's report been completed? (see Pages 20 and 21 and Notes 2 and 77)	Yes	<input checked="" type="checkbox"/>	No	
Is a rule book enclosed? (see Notes 8 and 88)	Yes	<input checked="" type="checkbox"/>	No	
A member statement is: (see Note 80)	Enclosed		To follow	<input checked="" type="checkbox"/>
Has the summary sheet been completed? (see Page 17 and Notes 7 and 62)	Yes	<input checked="" type="checkbox"/>	To follow	
Has the membership audit certificate been completed? (see Page i to iii and Notes 97 and 103)	Yes	<input checked="" type="checkbox"/>	No	

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 attached report.

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

30/06/2023

Contact name for inquiries and telephone number:

Tina Allison

02078427276

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH AIR LINE PILOTS
ASSOCIATION (BALPA)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Opinion

We have audited the financial statements of the British Air Line Pilots Association (BALPA) for the year ended 31 December 2022 which comprise the income and expenditure, balance sheet and related notes included within the AR21 as set out on pages 3 to 23 of the AR21. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

In our opinion the financial statements:

- give a true and fair view of the state of BALPA's affairs as at 31 December 2022 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.

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 union 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

In auditing the financial statements, we have concluded that the Council members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the union's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council members with respect to going concern are described in the relevant sections of this report.

Other information

The Council members are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 have nothing to report in respect of the following matters where the Trades Union and Labour Relations Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- a satisfactory system of control over its accounting records, cash holdings and receipts and remittances has not been maintained;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Council members

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

We have been appointed as auditor under section 33 of the Trade Union and Labour Relations Act 1992 and report in accordance with section 36 of that Act.

In preparing the financial statements, the Council members are responsible for assessing the union's and group'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 Council members either intend to liquidate the union 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of membership income, valuation of the legal indemnity provision and override of controls by management. Our audit procedures to respond to these risks included sample testing of income transactions and indemnity provision valuations, enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with HMRC and reading minutes of meetings of those charged with governance.

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

Use of our report

This report is made solely to union's members as a body. Our work has been undertaken so that we might state to union'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 union and the union's members as a body, for our audit work, or for the opinion we have formed.



Crowe U.K. LLP
Statutory Auditor
London, United Kingdom

30 June 2023

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

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 information 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	55 Ludgate Hill, London, EC4M 7JW
Date	30/06/2023
Contact name and telephone number	Tina Allison 020 7842 7276

Membership audit certificate

Section two

For a trade union with no **more than 10,000 members** at the end of the reporting period preceding the one to which this audit relates.

To the best of your knowledge and belief has the trade union during this reporting period complied with its duty to compile and maintain a register of the names and addresses of its members and secured, so far as is reasonably practicable, that the entries in the register are accurate and up-to-date?

Yes / No

If "No" Please explain below:

Signature	
Name	
Office held	
Date	