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BRITISH AIRWAYS BENEVOLENT FUND

Report and Financial Statements

Year ended: 31 December 2025

Charity Commission Reference: 282480
Registered Office: International House, 101 King's Cross Road, London, WC1X 9LP

	Page
Report of the Trustees	1
Independent Auditor's Report to the Trustees of the British Airways Benevolent Fund	5
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

INTERNAL

Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

BRITISH AIRWAYS BENEVOLENT FUND

Report for the Year Ended 31 December 2025
Charity Commission Reference: 282480

Report of the Trustees for the year ended 31 December 2025

The Trustees present their annual report and financial statements of the British Airways Benevolent Fund ('BABF') for the year ended 31 December 2025. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

Objectives and activities for the public benefit

The objective of the BABF is to relieve poverty amongst present and former employees of British Airways plc ('BA') and predecessor companies, plus their spouses and dependants.

The Trustees, when seeking to meet this sole objective as set out in the Trust Deed, gives regard to the Charity Commission's public benefit guidance to ensure that its aims are delivered in-line with the relevant guidance.

The Trustees consider that public benefit is delivered as a result of making grants which support the following activities (not exhaustive):

- The provision of items such as furniture, bedding, clothing, fuel, heating appliances, washing machines and fridges, tools or books
- Payment of essential services such as essential decorating or repairs, training, travelling expenses, or funeral costs
- Provision of money management and debt counselling advice

Structure, governance and management

The charity was established pursuant to a Deed of Declaration of Trust dated 20 March 1981 entered into by the British Airways Board on the one part and Norman Ashworth Binks and others (the original Trustees) as the other part. The Deed provides that there shall not at any time be more than six or less than three Trustees in number and that the power to appoint or remove any Trustee shall be vested in British Airways Plc.

The charity had seven Trustees as at 31 December 2025, all of whom were either past or present employees of British Airways Plc. The charity is currently in a period of transition, and a deed of variation was signed in December 2024, which amongst other things, will increase the permitted number of trustees to nine. It also changed the name of the charity to The British Airways Benevolent Fund from The British Airways Welfare and Benevolent Fund.

The Trustees and British Airways Plc have agreed the following protocol for the appointment of Trustees. Trustee appointments generally coincide with the financial year and will typically be for a period of three years. Trustees may, subject to the Chairman's approval, be recommended to serve for up to three further terms (a maximum total of 12 years). Candidates for the position of Trustee must be past or present employees of the British Airways Group, must have the necessary maturity and skills and have held a position which suits them to the role of Trustee. Initial selection will be undertaken by the then current Trustees with the most appropriate candidate being invited to a selection board consisting of at least three Trustees. The selection board will make a formal recommendation to the Chairman who will, if they support the nomination, be responsible for securing the formal nomination by British Airways Plc in accordance with the Deed of Declaration of Trust.

INTERNAL

Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

Activities

Some 17 grants, totalling £51,403 were made to individuals during the year (2024: 18 grants totalling £66,332). Grants are decided by the Trustees on the individual merits of each case.

Casework continues to be undertaken for every application through its arrangement with the Soldiers, Sailors, Airmen and Families Association (SSAFA) which is now in its tenth year of operation.

Financial review for the year ended 31 December 2025

The net loss and net movement in funds for the year ended 31 December 2025 was £142,557 (2024: gain of £125,611). Investment income was £73,584 (2024: £71,463) and interest income was £3,251 (2024: £nil). Donations amounted to £32,220 (2024: £48,448). The fair value loss on investments was £148,074 (2024: gain of £115,134) due to movements in equity markets.

At 31 December 2025 the market value of investments was £3,649,146 (2024: £3,797,220).

Investment policy

The majority of the Trust's funds are held in equity investments to generate capital growth and dividend income, with which the Trust conducts its charitable activities. The current level of grant-making is commensurate with the dividend income, and so the capital has remained untouched in recent times. However if grant-making were to increase then the Trust would use all assets at its disposal to meet its charitable objectives. If grant-making were to continue at the current level the Trust would in theory be able to continue meeting its objectives in perpetuity without further investment or donations.

The Trustees invest funds with Charities, Churches and Local Authorities (CCLA). The charity holds a combination of income units and accumulation units in the COIF Charities Investment Fund. The financial objectives of the COIF Charities Investment Fund are:

Long-term average annual total returns (income and capital growth) of CPI inflation plus 5% before costs. Within total return, an attractive income which is reliable from year to year. Volatility no more than 75% of that of the UK stock market.

The Trustees recognise that there is investment and return risk associated with the portfolio, especially over shorter time periods. However, this risk is considered appropriate given the long-term nature of the investment, and the requirement for a sufficient and sustainable income return to fund the charity's work.

The Investment Fund excludes direct holdings in tobacco companies, and in companies with any involvement in cluster bombs and landmines, online gambling or the production of pornography for ethical reasons.

The total movement on the COIF Charities Investment Fund for the year ended 31 December 2025 was -4% (2024: +3%) after all costs.

Risk management

The principal risks faced by the charity lie in the performance of investments and the ability for caseworkers to reach applicants.

The Trustees consider variability of investment returns to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio. The Trustees manage the investment on a total return basis. The Trustees consider that the use of a total return approach helps stabilise the resources available for grant making.

The Trustees have an ongoing agreement with SSAFA to use their in-house caseworkers for assessing applications.

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Reserves policy

The Trustees aim to maintain free reserves in unrestricted funds; unrestricted funds being the only category of fund the Trust maintains currently. Unrestricted funds provide a safety net against income fluctuations whilst also providing flexibility to fund grants. The Trust has complete discretion over unrestricted funds to spend as it wishes on its core purpose.

Strong financial performance that reinforces the reserves position plays a key role in helping to deliver the core purpose via a stable income stream and strong asset position to respond to unforeseen events.

Reserves are utilised to invest in the CCLA Investment Funds above, realising dividends, which are the principal method through which the Trust funds its day-to-day activities. The balance held as unrestricted funds at 31 December 2025 is £3,796,980 (2024: £3,939,537).

Plans for the future

The Trustees are keen to reach out and communicate to as many current and retired employees. To this extent, they are exploring all possible avenues to remind the current and former employees to seek help if they are struggling financially.

The Trustees have also engaged with legal advisors to change its status to a Charitable Incorporated Organisation (CIO). This will set the fund up as a legal entity separate from the Trustees, as well as having administrative benefits. The Trustees have signed both a Memorandum of Understanding and Deed of Variation with BA to set out the relationship with BA and the Fund. Transition paperwork continues to processed with an objective to complete the transition in 2026. The transition to a CIO will have no impact on the charitable mission or activities, nor the accounting, funding or going concern status of the charity.

Key management personnel remuneration

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 2 to the financial statements.

Reference and administrative information

Trustees
The Trustees and Chairperson of the charity during the year ended 31 December 2025 were:

Amy James (Chair)
Charles Wadsworth (Treasurer)
Neil Gunnell (Secretary)
Pauline Jorgensen
Giles Lowe
Douglas Brown
Jill Errington

Charity Number: 282480

Registered Office: International House, 101 King's Cross Road, London, WC1X 9LP

Independent Auditor: KPMG LLP, 15 Canada Square, London, E14 5GL

Bankers: Barclays Bank, Heathrow Airport, Hatton Cross Branch, Hounslow TW6 2JJ

Investment Managers: CCLA, One Angel Lane, London, EC4R 3AB

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Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed of the charity and charity law, the Trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The Trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the Trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations or have no realistic alternative but to do so.

The Trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 21 October 2026 and signed on their behalf by:

Signed by:
Charles Wadsworth
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Charles Wadsworth
TREASURER of TRUST
On behalf of the Trustees

Date: 21.10.26

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Independent auditor's report to the Trustees of British Airways Benevolent Fund

Opinion

We have audited the financial statements of British Airways Benevolent Fund ("the charity") for the year ended 31 December 2025 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

INTERNAL

Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Trustees as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Reading Trustee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

On this audit we do not believe there is a fraud risk related to revenue recognition because the Charity's role is to relieve poverty amongst present and former employees of British Airways Plc ('BA'), their spouses and dependants and as such the nature of the Charity is not profit oriented. As such, Income is earned through Investment Income and Donations received. We deem that there is limited judgement involved in the determination of Income and little incentive of the Trustees to manipulate Income. We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. This included those posted to unexpected account pairings.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Trustees (as required by auditing standards) and discussed with the Trustees the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related Charites legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, and certain aspects of charity legislation recognising the nature of the Charity's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 4, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INTERNAL

Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Dominic Harvey
775680E93388405...

Dominic Harvey (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 Canada Square

London

E14 5GL

21 October 2026

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Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

BRITISH AIRWAYS BENEVOLENT FUND

Statement of Financial Activities for the year ended 31 December 2025
Charity Commission Reference: 282480

	Note	Total Unrestricted Funds 2025	Total Unrestricted Funds 2024
		£	£
Income:			
Investment Income		73,584	71,463
Interest on cash deposits		3,251	-
Donations		32,220	48,448
Net (loss)/profit on investments	**5**	(148,074)	115,134
Total Income		**(39,019)**	235,045
Expenditure:			
Expenditure on charitable activities:			
Benevolent Grants		(51,403)	(66,332)
Other Expenditure		(52,135)	(43,102)
Total Expenditure		**(103,538)**	(109,434)
Net (loss)/income and net movement in funds for the year		**(142,557)**	125,611
Reconciliation of Funds:			
Funds brought forward at 1 January		**3,939,537**	3,813,926
Total funds carried forward at 31 December		**3,796,980**	3,939,537

The accompanying notes on pages 12 to 14 are an integral part of these financial statements.

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BRITISH AIRWAYS BENEVOLENT FUND

Balance Sheet as at 31 December 2025

	Note	Total Funds 2025	Total Funds 2024
		£	£
Fixed Assets:			
Investments	**3**	3,649,146	3,797,220
Total Fixed Assets		**3,649,146**	3,797,220
Current Assets:			
Cash at bank or equivalents		131,676	126,708
Accrued income		18,711	18,081
Total Current Assets		**150,387**	144,789
Current Liabilities:			
Other creditors		2,553	2,472
Total Current Liabilities		**2,553**	2,472
Net Current Assets		**147,834**	142,317
Net Assets		**3,796,980**	3,939,537
The funds of the charity:			
Accumulated Fund	**4**	1,190,711	1,185,194
Revaluation Reserve	**4**	2,606,269	2,754,343
TOTAL FUNDS EMPLOYED		**3,796,980**	3,939,537
Funds:			
Unrestricted		**3,796,980**	3,939,537
		3,796,980	3,939,537

The report and financial statements were approved by the Trustees on

Signed on behalf of the board

Charles Wadsworth
Treasurer

Date: 21.10.26

The accompanying notes on pages 12 to 14 are an integral part of these financial statements.

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Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

BRITISH AIRWAYS BENEVOLENT FUND

Statement of Cash flows for the year ended 31 December 2025

	Note	Total Funds 2025	Total Funds 2024
		£	£
Net cash used in operating activities	5	(71,237)	(58,795)
		(71,237)	(58,795)
Cash flows from investing activities:			
Interest and dividends		76,205	71,038
Net cash provided by investing activities		**76,205**	71,038
Change in cash and cash equivalents in the year		**4,968**	12,243
Cash and cash equivalent brought forward		**126,708**	114,465
Cash and cash equivalents carried forward		**131,676**	126,708

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The accompanying notes on pages 12 to 14 are an integral part of these financial statements.

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Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

1. Accounting Policies

(a) **Basis of preparation and assessment of going concern**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value except for investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The charity constitutes a public benefit entity as defined by FRS 102 (effective 1 January 2016). The financial statements are presented in pounds sterling.

The financial statements have been prepared to give a 'true and fair' view and comply with the Charities (Accounts and Reports) Regulations 2008. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis which the trustees believe to be appropriate for the following reasons.

As at 30 June 2026, the charity has total cash, cash equivalents and interest-bearing deposits of £144,882. In addition to these amounts, the charity has investments totalling £3.63 million. Total liquidity at 30 June 2026, being the combination of the total cash, cash equivalents, interest-bearing deposits and equity investments, was £3.77 million (31 December 2025: £3.78 million).

The charity does not currently intend to draw upon the equity investments to fund ongoing activities and cash at bank is broadly equivalent to the prior two years' grant-making. There are no committed expenditures for the charity, and any grants would be reviewed before being paid, including a determination of ability to pay/affordability for the charity.

In its assessment of going concern, the charity has modelled two scenarios referred to as the Base Case and the Distressed Case for at least a year from the date of approval of the financial statements ("the going concern period"). The Base Case assumes a normal level of returns on investments and the Distressed Case assumes a declining valuation and a lower return on investment and an increase in grant-making. In both the Base Case and Distressed Case the charity remains able to continue its operations.

Having reviewed the Base Case and the Distressed Case, the Trustees have a reasonable expectation that the charity has sufficient liquidity to continue in operational existence and to continue to meet commitments as they fall due over the going concern period and hence continue to adopt the going concern basis in preparing the charity financial statements for year ended 31 December 2025. In adopting the going concern basis of accounting, the charity financial statements have been prepared without the inclusion of a material uncertainty.

(b) **Judgements and key sources of estimation uncertainty**

The preparation of financial statements can require management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year. The Trustees have concluded that there are no material judgements, estimates or uncertainties which would impact the carrying amounts of assets and liabilities within the next financial year.

(c) **Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. For donations this is upon receipt of the donation at bank. For Investment Income this is upon confirmation of the dividend income earned in a period confirmed by the Investment Fund manager.

INTERNAL

Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

1. Accounting Policies (continued)

(d) **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(e) **Charitable activities**

Costs of charitable activities include grants made, expenses of the Trustees and payments to SSAFA to use their in-house caseworkers.

(f) **Fixed asset investments**

Investments are initially recognised at their offer value transferred to purchase the investments, and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

(g) **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. Once an application is received, the case is discussed by the trustees and if awarded, the grant is paid to the third party supplier who will complete the work. The grant is recognised at the point at which the Trustees approve the grant with a known grant value.

(h) **Funds structure**

The Trustees have invested the funds with CCLA. The charity holds a combination of income units and accumulation units in the COIF Charities Investment Fund. Both the funds are unrestricted. Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. The dividends earned from the funds are used to make payments as grants.

2. Related party transactions and trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £nil). Expenses paid to Trustees in the year totalled £83 (2024: £404).

During the year grants and non-audit expenditures of £nil (2024: £nil) were made on behalf of the charity by British Airways Plc.

Donations of £32,100 (2024: £32,100) were made to cover governance costs charged in the year. These costs were borne by British Airways Plc.
Other Expenditure includes the governance costs, being the external audit fee, paid for by British Airways Plc.

At the year end £nil was owed to British Airways Plc (2024: £nil).

INTERNAL

Docusign Envelope ID: 4BCB5C25-F021-8492-810C-9A76B025C9F0

Note

3 Investments

	Shares (number)	Market Value £
Charities investment income fund:		
At 31 December 2024	128,599	2,609,699
Net losses on revaluation	-	(124,921)
At 31 December 2025	**128,599**	**2,484,778**

	Shares (number)	Market Value £
Charities investment accumulation fund:		
At 31 December 2024	4,556	1,187,521
Net losses on revaluation	-	(23,153)
At 31 December 2025	**4,556**	**1,164,368**

Total investments at 31 December 2024	3,797,220
Total investments at 31 December 2025	**3,649,146**

4 Reconciliation of movement in total funds employed

	Balance at 1 January 2024	Income	Balance at 31 December 2024
Revaluation reserve	2,639,209	115,134	2,754,343
Accumulated fund	1,174,717	10,477	1,185,194
	3,813,926	125,611	3,939,537

	Balance at 1 January 2025	Income	Balance at 31 December 2025
Revaluation reserve	2,754,343	(148,074)	2,606,269
Accumulated fund	1,185,194	5,517	1,190,711
	3,939,537	**(142,557)**	**3,796,980**

5 Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
(Decrease) / increase in funds	(142,557)	125,611
Interest income shown in investing activities	(76,205)	(71,038)
(Gains) / losses on investments	148,074	(115,134)
(Increase) / decrease in debtors	(630)	(424)
Increase / (decrease) in creditors	81	2,190
Net cash used in operating activities	**(71,237)**	(58,795)

6 Post-Balance Sheet Events

There are no relevant post-balance sheet events to report for the year ended 31 December 2025.

INTERNAL