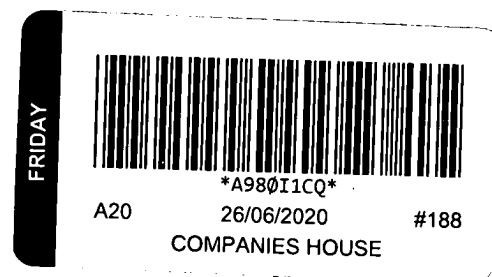


Registered No: 08090752

Bealine Plc

Annual Report and Accounts
For the year ended 31 December 2019



Bealine Plc

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Bealine Plc

Corporate information

Directors

S. Philcox
B. Gibbs

Company secretary

A. Fleming

Registered office

Waterside
PO Box 365
Speedbird Way
Harmondsworth
United Kingdom
UB7 0GB

Bealine Plc

Strategic Report

The Directors present their Strategic Report for the year ended 31 December 2019. Bealine Plc (the 'Company') is a wholly owned subsidiary undertaking of British Airways Plc ('BA') and is dormant, having not traded during the current or preceding period.

Review of business

The Company is dormant and reported a result for the financial year of Enil (2018: Enil).

Principal risks and uncertainties

The Company is not exposed to significant risks and uncertainties as it is dormant.

Key performance indicators

Given the nature of the Company's activities, the Directors consider that the use of key performance indicators is not necessary in the presentation of the results for the year.

Future developments

The Directors do not expect any changes in the Company's activity in the foreseeable future.

Section 172 Statement

During 2019, the Board acted in a way, they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, based on information available to them at the time.

The Company is dormant and therefore does not have business relationships with customers or suppliers and has no employees.

The key investor of the Company is the immediate parent undertaking, BA, and the ultimate parent undertaking is International Consolidated Airlines Group S.A ('IAG'). For IAG, return on invested capital, operating margins and free cash generated are important as value is created by generating strong and sustainable results that translate into dividends and share price appreciation. In addition to these financial measures, operating within the Group's policies and maintaining and enhancing brand and reputation are also important.

The Company is part of the BA Group whose culture and commitment to corporate responsibility continues to grow. Sustainability is embedded into the Group's business plans that are reviewed and approved by the BA and IAG Boards. The Board Corporate Responsibility Committee meets at least twice a year to set and approve BA and its subsidiaries' corporate responsibility strategy and monitor progress on key initiatives.

Further disclosure on how the Directors of BA have had regard to the matters set out in section 172(1) (a) to (f) is made in the Section 172 statement on pages 15 to 18 of the financial statements of BA, which can be found on the website www.iagshares.com.

The Strategic Report was approved by the Board and signed on its behalf by:



S. Philcox
Director
25 June 2020

Bealine Plc

Directors' Report

Registered No: 08090752

The Directors present their unaudited Annual Report and Accounts ('financial statements') of Bealine Plc (the 'Company') for the year ended 31 December 2019.

Principal activities

The Company is dormant and has not traded during the current or preceding period.

Auditors

The Company satisfies the provisions of section 480(1)(2) of the Companies Act 2006 and accordingly the Company is exempt from the obligation to appoint auditors.

Directors

The Directors of the Company during the year ended 31 December 2019 and up to the date of approval of the financial statements were as follows:

S. Mussenden (resigned 1 March 2019)

R. Napier (appointed 1 March 2019, resigned 1 February 2020)

B. Gibbs (appointed 1 February 2020)

S. Philcox

Directors' and Officers' liability insurance

The ultimate parent company of the Group, IAG, purchases insurance against Directors' and Officers' Liability as permitted by the Companies Act 2006 for the benefit of the Directors and Officers of its subsidiary undertakings.

Dividends

No dividend has been paid or proposed in respect of the year ended 31 December 2019 (2018: £nil).

Going concern

The financial position of the Company is set out in the Balance Sheet and the accompanying notes to the financial statements.

The Company continues to adopt the going concern basis of accounting in preparing the annual financial statements. The Directors have a reasonable expectation that the Company has adequate resources to continue existence for the foreseeable future. BA, the Company's parent has provided a commitment of financial support and therefore the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Further details regarding the adoption of the going concern basis can be found in the accounting policies in the notes to the financial statements.

Political contributions

During the year, the Company made no political contributions (2018: £nil).

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless they consider that to be inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' statement as to disclosure of information

The Directors who were members of the Board at the time of approving the Directors' Report are listed on page 4. Having made enquiries of fellow Directors, each of these Directors confirms that:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006; and
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

The Directors' Report was approved by the Board and signed on its behalf by:



S. Philcox
Director
25 June 2020

Bealine Plc
Income Statement
For the year ended 31 December 2019

£	Note	<u>2019</u>	<u>2018</u>
Result before taxation		-	-
Taxation	4	-	-
Result for the financial year		-	-

The notes on pages 9 to 11 form part of these financial statements.

The above results are all in respect of continuing operations.

There is no other comprehensive income in the year ended 31 December 2019 (2018: £nil). Therefore, no separate statement of other comprehensive income has been presented.

Bealine Plc

Balance Sheet

As at 31 December 2019

£	Note	2019	2018
Current assets			
Debtors: amounts falling due within one year	5	<u>50,000</u>	<u>50,000</u>
Total assets		<u>50,000</u>	<u>50,000</u>
Capital and reserves			
Called up share capital	6	50,000	50,000
Profit and loss account		-	-
Total shareholders' funds		<u>50,000</u>	<u>50,000</u>

For the financial year in question the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

No members have required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of the accounts.

The financial statements on pages 6 to 11 were approved by the Board of Directors on 19 June 2020 and signed on its behalf by:



S. Philcox
Director
25 June 2020

Bealine Plc
Statement of Changes in Equity
 As at 31 December 2019

For the year ended 31 December 2019

£	Called up share capital	Profit and loss account	Total shareholders' funds
Balance at 1 January 2019	50,000	-	50,000
Result for the year	-	-	-
At 31 December 2019	50,000	-	50,000

For the year ended 31 December 2018

£	Called up share capital	Profit and loss account	Total shareholders' funds
Balance at 1 January 2018	50,000	-	50,000
Result for the year	-	-	-
At 31 December 2018	50,000	-	50,000

Bealine Plc

Notes to the financial statements

1. Authorisation of financial statements

The financial statements of the Company for the year ended 31 December 2019 were authorised for issue by the Directors on 19 June 2020 and the Balance Sheet was signed by S. Philcox. Bealine Plc is a public limited company incorporated and domiciled in England and Wales.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation and statement of compliance with FRS 102

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') in accordance with the Companies Act 2006.

The Company's financial statements are presented in pounds sterling, which is the Company's functional currency, and all values are rounded to the nearest pound (£), except where indicated otherwise.

FRS 102 allows qualifying entities to take advantage of certain disclosure exemptions. As allowed under the standard, the disclosure exemptions of FRS 102 for 'qualifying entities' have been applied as the Company is not a financial institution and is a wholly owned subsidiary undertaking of BA whose accounts include an equivalent disclosure, where required, of the following standards:

- a) the requirements of Section 7 *Statement of Cash Flows* and Section 3 *Financial Statement Presentation* paragraph 3.17(d); and
- b) the requirements of Section 11 *Basic Financial Instruments* paragraphs 11.42, 11.44, 11.45, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c)
- c) the requirements of Section 33 *Related Party Transactions* paragraph 33.7.

The Company meets the definition of a 'dormant' entity under the Companies Act 2006 and has elected to retain its accounting policies for reported assets, liabilities and equity at 1 January 2015 (the date of transition to FRS 102) until there is any change to those balances or the Company undertakes any new transactions.

Going concern

The financial statements have been prepared on the going concern basis.

The Company's ability to continue as a going concern is assessed in conjunction with BA's (the 'Parent') ability to continue as a going concern. The Parent's viability is dependent upon the Parent's ability and willingness to provide ongoing funds for working capital needs.

The Parent has confirmed that it will not demand repayment for existing unsecured intercompany loans such that insolvency would result and will continue to provide financial support to enable the company to meet its liabilities as they fall due for the foreseeable future.

The Parent's Directors have considered the Parent's cash flow forecast. The Directors of the Company are satisfied after appropriate consultation with the Directors of the Parent, review of forecasts and projections taking account of reasonably possible changes in trading performance following the COVID-19 pandemic and the current funds available, that the Company is able to operate for at least twelve months from the signing of the financial statements.

Dormant status

The Company was dormant (within the meaning of Section 480 of the Companies Act 2006) throughout the year ended 31 December 2019. During the period the Company received no income and incurred no expenditure and therefore made neither profit nor loss.

Bealine Plc

Notes to the financial statements (continued)

2. Accounting policies (continued)

2.2 Summary of significant accounting policies

Taxation

Tax on the result for the year comprises of current tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable result for the year using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable or receivable in respect of previous years.

Financial instruments

In accordance with IFRS 9 'Financial Instruments', financial instruments are recorded initially at fair value. Subsequent measurement of those instruments at the Balance Sheet date reflects the designation of the financial instrument. The Company determines the classification at initial recognition. A financial asset or liability is generally derecognised when the contract that gives rise to it has been settled, sold, cancelled or has expired.

Debtors

Debtors are stated at amortised cost less allowances made for expected credit losses which approximates fair value given the short term nature of these assets. A provision for expected credit losses (allowance for doubtful debtors) is established based on the calculation and recognition of lifetime expected credit losses.

Share capital

Ordinary shares are classified as equity.

Key accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Actual results could differ from these estimates. These underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if these are also affected.

Following adoption of IFRS 9 and the associated necessary accounting policy, the impact of introducing an expected credit loss model has been reviewed on the Company's debtor provisioning. It was determined that there have been no material impacts on the Company's financial statements.

New standards, amendments and IFRIC interpretations

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the period ended 31 December 2019, have had a material impact on the Company.

Bealine Plc

Notes to the financial statements (continued)

3. Directors' emoluments

None of the Directors of the Company received any remuneration during the year in respect for their services to the Company (2018: £nil).

During the year no Directors accrued benefits under a defined benefit pension scheme (2018: none) and three Directors accrued benefits under a defined contribution pension scheme (2018: two), provided by the Company's parent undertaking during the year. Full disclosure of this scheme is made in the financial statements of BA.

During the year, three Directors (2018: two) participated in IAG's Long Term Incentive Schemes and one exercised awards during the year (2018: two).

No other transactions (other than the ones already disclosed above) or loans were outstanding with the Directors of the Company at the end of the period, which need to be disclosed in accordance with the requirements of section 412 and section 413 of the Companies Act 2006.

There were no employees of the Company during the current or preceding year.

4. Taxation

The Company made no profit or loss within the year therefore there is no tax charge or credit.

5. Debtors: amounts falling due within one year

£	2019	2018
Amounts owed by group undertakings	50,000	50,000

Amounts owed by group undertakings represent debtors arising from intercompany trading activities which are unsecured, interest free and payable on demand.

6. Share capital

	No.	2019 £	No.	2018 £
Allotted, called up and fully paid				
Ordinary shares of £1.00 each	50,000	50,000	50,000	50,000

7. Related party transactions

The Company is a wholly owned subsidiary of BA and has therefore taken advantage of the exemption in FRS 102 not to disclose related party transactions with fellow wholly owned group undertakings.

8. Ultimate parent undertaking

The Company's immediate parent undertaking as at 31 December 2019 was BA, a Company registered in England and Wales.

As at 31 December 2019, the ultimate parent undertaking of the Company was IAG, which is incorporated in Spain. Of the Group which the Company is a member, IAG was the largest undertaking preparing group financial statements and BA was the smallest undertaking preparing group financial statements.

Copies of the consolidated financial statements of IAG and BA can be found on the website www.iagshares.com.