

**DIRECTORS' REPORT AND ACCOUNTS**

**BRITISH AIRWAYS (ESPANA) LIMITED**

**31 MARCH 1999**

**Company Number 437440**



## BRITISH AIRWAYS (ESPANA) LIMITED

### DIRECTORS' REPORT

Directors : G F Redwood (Mrs)  
S J Walsh

Secretary : P H Jarvis

Registered Office : Waterside, P O Box 365, Harmondsworth, UB7 0GB

The Directors present their report and accounts for the year ended 31 March 1999.

#### Principal Activities

The Company did not trade during the year. Any overhead expenses were borne by the Ultimate Parent Undertaking, British Airways Plc.

#### Directors' Interests

None of the Directors had any beneficial interest in the shares of the Company at 31 March 1999.

According to the register maintained as required under the Companies Act 1985, the directors' interests in the share capital of British Airways Plc and in the 9.75% Convertible Capital Bonds 2005 of British Airways Capital Limited which require disclosure in these accounts were as follows:

	British Airways Plc						British Airways Capital Limited	
	Ordinary Shares Subject to no Restrictions		Ordinary Shares Subject to Restrictions		Options Executive and SAYE Share Schemes		Convertible Bonds	
	31 March 1999	1 April 1998	31 March 1999	1 April 1998	31 March 1999	1 April 1998	31 March 1999	1 April 1998
Mrs G F Redwood	13,350	12,459	2,661	3,638	40,257	40,257	-	-
S J Walsh	3,856	3,524	1864	2,040	5,716	5,716	-	-

The Directors' interests set out above are in each case beneficial. The options under the Executive Share Scheme and the SAYE Share Schemes are at prices ranging from £2.86 to £4.19.

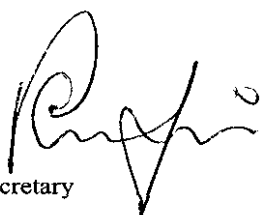
#### Directors' Liability Insurance

The ultimate parent undertaking, British Airways Plc, maintains a directors' and an officers' liability insurance policy for the directors and officers of its subsidiary undertakings.

#### Auditors

Under section 252(2) of the Companies Act 1985 the Company is exempted from the obligation to appoint an auditor.

By order of the Board

  
Secretary

# BRITISH AIRWAYS (ESPANA) LIMITED

## BALANCE SHEET AS AT 31 MARCH 1999

	<i>Note</i>	1999 £	1998 £
<b>Current Assets</b>			
Amount owed by British Airways Plc		429,835	429,835
		<u>429,835</u>	<u>429,835</u>
<b>Capital and Reserves</b>			
Called up share capital	5	20,000	20,000
Profit and loss account	6	409,835	409,835
Revaluation reserve	6	~	~
	6	<u>429,835</u>	<u>429,835</u>

The Company was dormant within the meaning of Section 250 of the Companies Act 1985 throughout the year.

Director: Johedunzel-----

Date: 24/11/99-----

# BRITISH AIRWAYS (ESPANA) LIMITED

## NOTES TO THE ACCOUNTS

AS AT 31 MARCH 1999

### 1. Accounting Policies

The accounts are prepared under the historical cost convention modified to include the revaluation of freehold land and property.

### 2. Directors' Remuneration

The directors received no remuneration or other emoluments from the company during the year ended 31 March 1999 (1998 ~ Nil)..

### 3. Loss on Ordinary Activities before Taxation

	1999 £	1998 £
Loss on ordinary activities before taxation is stated after charging:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year on owned assets	-	4,007
Loss on disposals	-	32,161
	<u>-</u>	<u>32,161</u>

### 4. Taxation

	1999 £	1998 £
Overseas taxation on capital gain	-	49,633
	<u>-</u>	<u>49,633</u>

### 5. Share Capital

The share capital of the Company is as follows:

	1999 £	1998 £
Authorised, allotted, issued and fully paid:		
20,000 ordinary shares of £1 each	20,000	20,000
	<u>20,000</u>	<u>20,000</u>

# BRITISH AIRWAYS (ESPANA) LIMITED

## NOTES TO THE ACCOUNTS

AS AT 31 MARCH 1999

(continued)

### 6. Reconciliation of Shareholders Funds and Movements in Reserves

	Share capital £	Reval- uation reserve £	Profit and loss account £	Total £
Balance at 1 April 1997	20,000	373,162	122,474	515,636
Loss for the year	~	~	(85,801)	(85,801)
Transfer from revaluation reserve relating to the element of depreciation charge on revalued property	~	(3,943)	3,943	~
Transfer of realised profits relating to sale of revalued property	~	(369,219)	369,219	~
Balance at 31 March 1998 and 31 March 1999	<u>20,000</u>	<u>~</u>	<u>409,835</u>	<u>429,835</u>

### 7. Ultimate Parent Undertaking

The Company is a wholly owned subsidiary undertaking of British Airways Plc, a company incorporated in the United Kingdom.

### 8. Annual Report and Accounts

Copies of the British Airways Plc report and accounts can be obtained from:

The Shareholder Services Department  
British Airways Plc  
Waterside HBA3  
P O Box 365  
Harmondsworth  
UB7 0GB