

Company Number: 753964

**BRITISH AEROSPACE PENSION FUNDS**  
**TRUSTEES LIMITED**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1998**



**BRITISH AEROSPACE PENSION FUNDS  
TRUSTEES LIMITED**

**REPORT OF THE DIRECTORS**

The Directors present their report for the year ended 31st December 1998.

Activities

The Company has not traded during the year, and was dormant under section 250 of the Companies Act 1985.

On 30th March 1979, the Company was appointed Trustee of the British Aerospace Pension Scheme and since then it has acted in that capacity.

Directors

The following individuals have been Directors of the Company since 1st January, 1998:

Holding Office under Article 79(A)(i):

Mr. A.E. Dean  
Mr. D. Goodenough  
Mr. F. Hilton  
Mr. J. Keeble  
Mr. B.P. Pemberton  
Mr. T. Royle  
Mr. R.H.B. Hart (resigned 15.12.98)

Holding Office under Article 79(A)(ii):

Mr. C.R. Dickson  
Mr. R.W. Hawksworth (appointed 15.12.98)  
Mr. T.K. Morgan  
Mr. T. Nicholson  
Mr. P. Riley  
Miss H.J. Turner  
Mr. R.J. Wilson (appointed 19.11.98)  
Mr. R.D. Laphorne (resigned 19.11.98)  
Mr. K. Smith (resigned 19.11.98)

During 1998 Mr. R.W. Hawksworth and Mr. R.J. Wilson were appointed to the Board of Directors and Mr. R.H.B. Hart, Mr. R.D. Laphorne and Mr. K. Smith resigned. None of the Directors are due to retire from the Board under the provisions of the Company's Articles of Association.

None of the Directors has (or has had) any beneficial interest in the share capital of the Company, (or any subsidiary company of the British Aerospace group of companies). The Directors who held office at the end of the year had the following interests in the share capital of the Company's ultimate holding company, British Aerospace Public Limited Company:

Directors	Ord. Shares of 2.5p		Share Options			
	1.1.98*	31.12.98	1.1.98*	Exercised	Granted	31.12.98
A.E. Dean	-	64	-	-	-	-
C.R. Dickson	1,664	25,057	101,536	71,664	12,053	41,925
D. Goodenough	-	64	-	-	-	-
R.W. Hawksworth	45,141	45,141	2,348	-	-	2,348
F. Hilton	4,000	4,051	1,076	-	-	1,076
J. Keeble	-	-	-	-	-	-
T.K. Morgan	52,340	15,376	143,256	77,956	442	65,742
T. Nicholson	14,616	16,660	223,452	31,324	801	192,929
B.P. Pemberton	-	64	924	-	-	924
P. Riley	60,808	61,656	7,620	-	387	8,007
T. Royle	4	7	6,644	-	746	7,390
H.J. Turner	-	64	24,672	11,936	7,341	20,077
R.J. Wilson	23,347	23,347	86,769	-	-	86,769

Director	Restricted Share Plan Matching Shares		Conditional Awards of Shares under BAe Performance Share Plan			
	1.1.98*	31.12.98	1.1.98*	Exercised	Granted	31.12.98
T. Nicholson	3,196	4,204	52,608	-	25,420	78,028
T. Morgan	5,140	7,496	58,808	-	27,664	86,472
R.W. Hawksworth	2,988	2,988	54,512	-	27,664	82,176

\* or later date of appointment.

BY ORDER OF THE BOARD

  
D.S. PARKES  
Secretary

**BRITISH AEROSPACE PENSION FUNDS  
TRUSTEES LIMITED**

BALANCE SHEET AS AT 31ST DECEMBER 1998

	<u>1998</u>	<u>1997</u>
	£	£
Amount owed by group companies (Note 3)	1,000	1,000
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Financed by:		
Share Capital		
Authorised, issued and fully paid:		
Ordinary Shares of £1 each	1,000	1,000
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The Company was a dormant company within the meaning of Section 250 of the Companies Act 1985 throughout the year ended 31st December 1998.

These accounts were approved by the Board of Directors on *27 September 1999* and were signed on its behalf by:

  
Director

The notes on page 5 form part of these accounts.

**BRITISH AEROSPACE PENSION FUNDS  
TRUSTEES LIMITED**

NOTES TO THE ACCOUNTS

1. Profit and Loss Account

The Company has not traded during the accounting period, has received no income and incurred no expenditure, and consequently has made neither a profit nor a loss. A profit and loss account has therefore not been prepared.

2. Directors' Emoluments

No Director received any emoluments from the Company during the year (1997: £nil).

3. Amount Owed by Group Companies

The amount owed by group companies is in respect of a loan to British Aerospace Public Limited Company. The loan bears no interest and is repayable on demand.

4. Ultimate Holding Company

The ultimate holding company is British Aerospace Public Limited Company, a company incorporated in Great Britain, and registered in England and Wales. Copies of the group accounts of British Aerospace plc, the largest and smallest group in which the results of the company are consolidated, can be obtained from Warwick House, Farnborough Aerospace Centre, Farnborough, Hants, GU14 6YU.