

ABP (PENSION TRUSTEES) LIMITED

(Company Number 937691)

REPORT AND ACCOUNTS 1998



ABP (PENSION TRUSTEES) LIMITED REPORT AND ACCOUNTS 1998

DIRECTORS' REPORT

The Directors submit their report for the year ended 31 December 1998, together with the audited accounts of the Company at that date.

The Company is a wholly-owned subsidiary of Associated British Ports and its ultimate parent undertaking is Associated British Ports Holdings PLC.

The following served as Directors of the Company as at 31 December 1998:

C W Orange	(Chairman)
S Blackford	
Miss N Doyle	
D Dunn OBE	
D R George	
P N Lambton	(Resigned 15 February 1999)
J C S McClean	
A Oliver	
J A O'Nions	

Miss A H W Winson LL.B, FCIS, LL.M, was appointed a director of the Company on 15 March 1999.

No Director had any beneficial interest in the shares of the Company during the year.

Mr Orange is a director of Associated British Ports Holdings PLC and his interests in the share capital of that Company are shown in its Directors' Report.

The beneficial, including family, interests of the other directors in office as at 31 December 1998 in the share capital of Associated British Ports Holdings PLC and shares held on their behalf by the Trustees of the Associated British Ports Employee Share Ownership Scheme at 31 December 1997 and 1998 are shown separately in the table below.

The number of shares over which options are held by the directors under both The Associated British Ports Savings-Related Share Option Scheme and The Associated British Ports Executive Share Option Scheme are also stated.

ABP (PENSION TRUSTEES) LIMITED

REPORT AND ACCOUNTS 1998

DIRECTORS' REPORT (Cont'd)

	Ordinary Shares of 25p Each		Ordinary Shares of 25p Each Held by the Trustees of the Employee Share Ownership Scheme		Ordinary Shares of 25p Each Subject to Options under the Savings-Related Share Option Scheme and Executive Share Option Scheme	
	1997	1998	1997	1998	1997	1998
S Blackford	-	342	342	1016	2,499	3825
N Doyle	-	-	1,690	1,368	6,517	5,653
D Dunn	36,476	49,962	1,850	1,368	123,814	162,416
D R George	200	7,146	600	300	60,711	69,667
P N Lambton	-	320	640	1,368	40,833	93,468
J C S McClean	342	1,872	1,850	1,368	94,582	119,582
J A O'Nions	-	1,512	1,596	1,368	8,393	8,090
A Oliver	16,088	16,088	-	-	-	-

Since 31 December 1998, the shareholdings of the Directors listed above have changed in the following manner:

ABP Employee Share Ownership Scheme

	Shares Allotted to the Trustees of the Employee Share Ownership Scheme on 31 March 1999	Shares Released by the Trustees of the Employee Share Ownership Scheme on 12 April and 19 April 1999 respectively	
		(3 Year 1996)	(2 Year 1997)
S Blackford	590	-	-
D Dunn	590	320	308
D R George	456	300	-
P N Lambton	590	320	308
N Doyle	-	320	308
J C S McClean	590	320	308

ABP (PENSION TRUSTEES) LIMITED

REPORT AND ACCOUNTS 1998

DIRECTORS' REPORT (Cont'd)

ABP Savings Related Share Option Scheme

	Shares allotted following the maturity of options granted under the above scheme in 1991 and 1993		
	1991	1993	Date of Allotment
S Blackford	-	766	25.01.99
N Doyle	-	766	25.01.99
D Dunn	-	-	25.01.99
D R George	-	1,034	25.01.99
P N Lambton	-	-	-
J C S McClean	-	9,582	14.04.99
J A O'Nions	-	1,916	25.01.99

The only other change in the total shareholdings of Directors in the period 31 December 1998 to 20 May 1999 was that Ms N. Doyle sold 628 shares on 23 April 1999. None of the Directors had non-beneficial interests in the share capital of the Company during the period to 31 December 1998 nor the period from the year-end to 20 May 1999.

The Company was established to act as Trustee for funds or schemes for providing allowances, pensions or other benefits for employees or ex-employees of Associated British Ports and of its subsidiary or associated companies.

The Company was appointed as Trustee of the Associated British Ports Group Pension Scheme. As Trustee of this scheme the Company has been advised by investment managers, Baring Asset Management Limited, Schroder Investment Management Limited, Jupiter Asset Management Limited and by actuaries, William M Mercer Limited.

With effect from 1 July 1998, Price Waterhouse merged with Coopers & Lybrand to form PriceWaterhouseCoopers. Price Waterhouse resigned after the merger and the directors appointed PriceWaterhouseCoopers to fill the vacancy. The audit report has been signed by PriceWaterhouseCoopers and they have indicated their willingness to continue in office.

BY ORDER OF THE BOARD



H Rees
Company Secretary

20 May 1999

Registered Office:
150 Holborn
London
EC1N 2LR

ABP (PENSION TRUSTEES) LIMITED

REPORT AND ACCOUNTS 1998

STATEMENT OF DIRECTORS RESPONSIBILITIES

in respect of the preparation of Financial Statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that the financial statements comply with the above requirements. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

ABP (PENSION TRUSTEES) LIMITED REPORT AND ACCOUNTS 1998

AUDITORS' REPORT TO THE MEMBERS OF ABP (PENSION TRUSTEES) LTD

We have audited the financial statements on pages 6 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 4 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

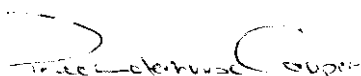
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 1998 and have been properly prepared in accordance with the Companies Act 1985.



PriceWaterhouseCoopers
Chartered Accountants
And Registered Auditors
Southwark Towers
32 London Bridge Street
London SE1 9SY

20 May 1999

ABP (PENSION TRUSTEES) LIMITED

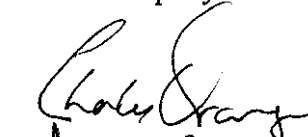
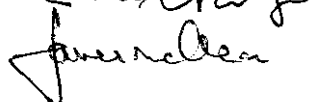
REPORT AND ACCOUNTS 1998

BALANCE SHEET

As at 31 December 1998

	1998 £	1997 £
CURRENT ASSETS		
Investments	51,306	50,682
Interest receivable	907	813
Bank current account	3	3
TOTAL CURRENT ASSETS	<u>52,216</u>	<u>51,498</u>
 CREDITORS (Amounts falling due after one year)		
Amount held on trust (Note 5)	<u>(52,213)</u>	<u>(51,495)</u>
NET CURRENT ASSETS AND TOTAL ASSETS LESS CURRENT LIABILITIES	<u>3</u>	<u>3</u>
 CAPITAL AND RESERVES		
Share Capital		
Authorised		
100 shares of £1 each		
Called up and fully paid:		
3 shares of £1 each	<u>3</u>	<u>3</u>
	<u>3</u>	<u>3</u>

The Company has no recognised gains or losses for the year.

 (Chairman)
 (Director)

These accounts were approved by the directors on 20 May 1999.

The notes on page 7 form part of these financial statements.

ABP (PENSION TRUSTEES) LIMITED

REPORT AND ACCOUNTS 1998

NOTES TO THE ACCOUNTS

1. The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention
2. The Company is Trustee for the Associated British Ports Group Pension Scheme.
3. No income has accrued to the Company during the year ended 31 December 1998 and all expenses have been borne by Associated British Ports, therefore, no Profit and Loss Account has been presented.
4. The Company is a wholly-owned subsidiary of Associated British Ports, itself a wholly-owned subsidiary of Associated British Ports Holding PLC. Associated British Ports Holdings PLC is incorporated in England, its registered address being 150 Holborn, London, EC1N 2LR. None of the directors of the Company have spent a significant proportion of their total time on the Company's affairs, and have received no emoluments in respect of their duties.
5. The Trustee of Associated British Ports Group Pension Scheme has discretionary powers under the Rules of the Scheme to retain control over Lump Sum Death Benefits beyond a period of 24 months after the death of the member in order that the amounts can be paid to selected beneficiaries on their reaching 18 years of age. In order to achieve this, the Trustee is required, before the time limit of 24 months has expired, to transfer the monies out of the general fund of the Scheme into a separate trust in the name of the Trustee on trust for payment of the monies with accrued interest (less tax) to the beneficiary upon his reaching the age of 18 or to his personal representative if he dies before the monies are paid to him.

The balance of the amount held on trust at 31 December 1998 is made up as follows:

	£
Balance as at 1 January 1998	51,495
Sums paid from Trust during 1998	(1,924)
Interest received during the year (net)	2,642
Balance as at 31 December 1998	<u>52,213</u>