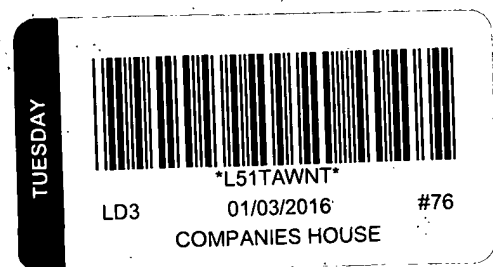


DIRECTORS' REPORT AND FINANCIAL STATEMENTS

HERMES PENSIONS MANAGEMENT LIMITED

31 DECEMBER 2015



Registered No. 4168395

HERMES PENSIONS MANAGEMENT LIMITED

DIRECTORS' REPORT

Directors: S J Cane (appointed 7 August 2015)
J L Kagan (appointed 7 August 2015)
M S Green (resigned 7 August 2015)
S Allen (resigned 7 August 2015)

Secretary: Hermes Secretariat Limited

Registered Office: Lloyds Chambers, 1 Portsoken Street, London E1 8HZ

Registered Number: 4168395

FINANCIAL STATEMENTS

The directors submit the unaudited financial statements for the year to 31 December 2015.

ACTIVITIES

The company did not trade during the year ended 31 December 2015 and hence has not made a profit or a loss. It is not expected that the company will trade in the foreseeable future.

PROFIT AND LOSS ACCOUNT

No profit and loss account is presented with these financial statements because the company has not received income, incurred expenditure or recognised any gains or losses during the year under review. There have been no movements in shareholders' funds during the year.

GOING CONCERN

It is mandatory that directors perform a rigorous assessment of whether the company is a going concern when preparing financial statements. With this in mind, and having made all reasonable enquiries and having respect to the nature of the company and its activities, the directors are satisfied, based on the information available to them at the present time, that it is appropriate to adopt the going concern basis in preparing the financial statements and, after due consideration, the directors consider that the company is able to continue in the foreseeable future.

Approved by the Board of Directors and signed on behalf of the Board.



S J Cane
Director

17 February 2016

HERMES PENSIONS MANAGEMENT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 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 of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 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.

HERMES PENSIONS MANAGEMENT LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2015**

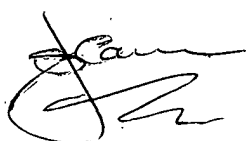
| | Notes | 2015 £ | 2014 £ |
|-----------------------------|-------|---------------|---------------|
| CURRENT ASSETS | | | |
| Debtors | 4 | 50,000 | 50,000 |
| TOTAL CURRENT ASSETS | | <u>50,000</u> | <u>50,000</u> |
| NET ASSETS | | <u>50,000</u> | <u>50,000</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 5 | <u>50,000</u> | <u>50,000</u> |
| SHAREHOLDERS' FUNDS | | <u>50,000</u> | <u>50,000</u> |

The financial statements have not been audited because the company is entitled to the exemption provided by section 480(1) of the Companies Act 2006 relating to dormant companies and its members have not required the company to obtain an audit of these financial statements in accordance with section 476(1).

The directors acknowledge their responsibility for ensuring that the company keeps accounting records that comply with section 386 of the Companies Act 2006. They also acknowledge their responsibility for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that period in accordance with section 393 of the Companies Act 2006 and which otherwise comply with the requirements of that Act relating to financial statements, so far as applicable to the company.

Approved by the Board of Directors and authorised for issue on 17 February 2016.

Signed on behalf of the Board of Directors



S J Cane

Director

HERMES PENSIONS MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, in accordance with applicable United Kingdom law and accounting standards and on the going concern basis as described in the Directors' Report. The company has elected to retain its accounting policies for reported assets, liabilities and equity at the date of transition to FRS102 until there is a change to those balances or the company undertakes new transactions.

2. PROFIT AND LOSS ACCOUNT

The company neither received income nor incurred expenditure during the year, nor recognised any other gain or loss. Consequently no profit and loss account, statement of total recognised gains and losses, or reconciliation of movements in shareholder's funds is presented.

3. DIRECTORS' EMOLUMENTS

No director received any emoluments in respect of their services to the company during the current or prior years.

4. DEBTORS

| | 2015 £ | 2014 £ |
|--------------------------------|---------------|---------------|
| Called up share capital unpaid | <u>50,000</u> | <u>50,000</u> |

5. CALLED UP SHARE CAPITAL

| | 2015 £ | 2014 £ |
|------------------------------------|----------------|----------------|
| Authorised: | | |
| 100,000 ordinary shares of £1 each | <u>100,000</u> | <u>100,000</u> |
| Allotted, called up and unpaid: | | |
| 50,000 ordinary shares of £1 each | <u>50,000</u> | <u>50,000</u> |

Britel Fund Trustees Limited and Britel Fund Nominees Limited hold shares in the company on behalf of the BT Pension Scheme.

6. ULTIMATE PARENT UNDERTAKING

The directors regard the Britel Fund Trustees as the company's immediate parent and BT pension scheme as the ultimate controlling party. BT pension scheme is the parent of the largest and smallest group which includes the company and for which group financial statements are prepared.

The accounts of the BT Pension Scheme can be obtained at its Registered Office, Lloyds Chambers, 1 Portsoken Street, London E1 8HZ.