

Registered Number 4165931

LS BON ACCORD LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011



Directors' Report for the year ended 31 March 2011

The directors submit their report with the audited financial statements of the Company for the year ended 31 March 2011

RESULTS FOR THE YEAR AND DIVIDEND

The results are set out in the Profit and Loss Account on page 4

The directors do not recommend the payment of a dividend for the year ended 31 March 2011 (2010 £Nil)

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company holds a lease for the purpose of granting sub leases to third party tenants. No changes in the Company's principal activity are anticipated in the foreseeable future

DIRECTORS

The directors who held office during the year and up to the date of this report unless otherwise stated were

P M Dudgeon	(resigned 30 April 2011)
A M De Souza	(appointed 30 April 2011)
Land Securities Management Services Limited	
LS Retail Director Limited	

INDEMNITY

The Company has made qualifying third party indemnity provisions for the benefit of the respective directors which were in place throughout the year and which remain in place at the date of this report

GOING CONCERN

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Land Securities Group PLC. The directors have received confirmation that Land Securities Group PLC intends to support the Company for at least one year after these financial statements are signed

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each director in office at the date the Directors' Report is approved, the following applies

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Registered Office
5 Strand
London
WC2N 5AF

For and on behalf of Land Securities Management Services Limited
C M Gill
6 September 2011

Registered in England and Wales
Registered number 4165931



Directors' Responsibilities for the year ended 31 March 2011**Statement of directors' responsibilities**

The directors are responsible for preparing the 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 prepared 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 estimates that are reasonable and prudent,
- state whether applicable UK 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 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.

Independent Auditors' Report to the Members of LS Bon Accord Limited for the year ended 31 March 2011

We have audited the financial statements of LS Bon Accord Limited for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Reconciliation of Movements in Total Shareholder's Funds, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

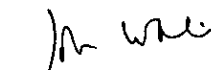
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.


 John Waters (Senior Statutory Auditor)
 For and on behalf of PricewaterhouseCoopers LLP
 Chartered Accountants and Statutory Auditors
 London
 6 September 2011

Profit and Loss Account for the year ended 31 March 2011

	Notes	2011 £	2010 (As restated) £
Turnover Gross property income	2	400,001	440,001
Net rental income	2	1	1
Profit on ordinary activities before taxation		1	1
Taxation	4	-	-
Profit for the financial year		1	1

Reconciliation of Movements in Total Shareholder's Funds for the year ended 31 March 2011
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	Notes	2011 £	2010 (As restated) £
Profit for the financial year		1	1
Addition to shareholders funds		1	1
Opening shareholder's funds		7	6
Closing shareholder's funds		8	7

All amounts arise from continuing operations

There is no difference between reported profit and historical cost profit on ordinary activities before taxation

There are no recognised gains or losses other than those shown in the Profit and Loss Account above

Balance Sheet as at 31 March 2011
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	Notes	2011 £	2010 (As restated) £
Tangible fixed asset	5	<u>1</u>	<u>1</u>
		1	1
Current assets			
Debtors	6	3,080,007	2,640,006
Creditors amounts falling due within one year	7	(3,080,000)	(2,640,000)
Net current assets		<u>7</u>	<u>6</u>
Net assets		<u>8</u>	<u>7</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account	9	6	5
Total shareholder's funds		<u>8</u>	<u>7</u>

The financial statements on pages 4 to 8 were approved and authorised for issue by the board directors on 6 September 2011 and were signed on its behalf by

For and on behalf of Land Securities Management Services Limited
C M Gill



1. Accounting Policies

The financial statements have been prepared on the going concern basis, under the historical cost convention, in accordance with Companies Act 2006 and applicable United Kingdom accounting standards

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

(a) Profit and Loss Account and other primary statements

The profit on ordinary activities before taxation is arrived at after taking into account income and outgoings on all properties, including those under development. In accordance with FRS3 'Reporting Financial Performance', profits and losses on properties sold during the year are calculated by comparing net sales proceeds with book values

Surpluses and deficits relating to previous years realised on investment properties sold during the year are transferred directly from the revaluation reserve to the profit and loss reserve and do not pass through the Profit and Loss Account

Unrealised capital surpluses and deficits, including those arising on the periodic revaluation of properties, are taken to the revaluation reserve

(b) Gross property income

The gross property income comprises rental income from the company's lease interests and indemnity income from other Group Companies

(c) Taxation

Taxation is charged at the corporation tax rate of 28%

(d) Other tangible fixed assets

Tangible fixed assets are held at cost

(e) Debtors

All trade debtors are recognised at the amounts receivable less any provision for doubtful debts. Recoverability of trade debtors is reviewed on an ongoing basis

(f) Prior year adjustment

Prior year adjustments have arisen due to contractual obligations of other group companies to indemnify LS Bon Accord Limited. The net effect of these adjustments is that shareholders funds as at 31 March 2010 have increased by £Nil. However, the individual line items within the financial statements have been impacted, and the prior year re-stated, as detailed

- 1) Recognition of prior years' rental income receivable from tenants which was previously not recognised. As a result, profit for the year ended 31 March 2010 increased by £763,467, and opening shareholders funds increased by £1,700,909. The overall increase in shareholders funds carried forward at 31 March 2010 was £2,464,377
- 2) Recognition of prior years' rent payable by the Company to The Scottish Retail Property Limited Partnership. As a result profit for the year ended 31 March 2010 decreased by £365,000, and opening shareholders funds decreased by £1,825,000. The overall decrease in shareholders funds carried forward at 31 March 2010 was £2,190,000
- 3) Recognition of prior years' indemnity of £274,377 relating to Regus UK Limited. As a result profit for the year ended 31 March 2010 decreased by £398,467 and opening shareholders funds increased by £124,091. The overall decrease in shareholders funds carried forward at 31 March 2010 was £274,376
- 4) Recognition of £450,000 of prior years' licence payments to Tartan Property (No. 2) Limited and a corresponding indemnity receivable of £450,000 from The Scottish Retail, Property Limited Partnership. As a result, profit for the year ended 31 March 2010 increased by £Nil, and opening shareholders funds increased by £Nil. The overall increase in shareholders funds carried forward at 31 March 2010 was £Nil

(g) Segmental reporting

The Company's activities consist solely of property investments in the United Kingdom

2 Net rental income

	2011 £	2010 (As restated) £
Rental income	(3,647)	763,468
Contractual indemnity provided by a group company against rental income shortfalls	443,648	(323,467)
Gross property income	440,001	440,001
Other direct property or contract expenditure	(440,000)	(440,000)
Net rental income	1	1

Other property outgoings are costs incurred in the direct maintenance and upkeep of investment properties. Void costs, which include those relating to empty properties pending redevelopment and refurbishment, costs of investigating potential development schemes which are not proceeded with, and costs in respect of housekeepers and outside staff directly responsible for property services, are also included.

3. Administrative expenses

(a) Management services

The Company had no employees during the year (2010: None). Management services were provided to the Company throughout the year by Land Securities Properties Limited, which is a group undertaking.

(b) Directors' emoluments

The directors of the Company received no emoluments from Land Securities Properties Limited for their services to the Company. The amounts allocated to services for this Company were of negligible value (2010: £Nil).

(c) Auditors' remuneration

The Group's auditors' remuneration is borne by Land Securities Properties Limited. The proportion of the remuneration which relates to the Company amounts to £1,596 (2010: £1,520). The auditors received no remuneration for non-audit services provided to the Company during the year (2010: £Nil).

4. Taxation

	2011 £	2010 (As restated) £
Analysis of tax (credit) / charge for the year		
Corporation tax on profit for the year	-	-
Tax (credit) / charge on (loss) / profit on ordinary activities	-	-
Factors affecting the tax (credit) / charge for the year		
The current tax (credit) / charge for the year equates to the standard rate of corporation tax in the UK of 28%		

5. Tangible fixed asset

	Leasehold Over 50 years to run £
At 1 April 2010 and 31 March 2011	1
The historical cost of the tangible fixed asset is £1 (2010: £1)	

6. Debtors

	2011 £	2010 (As restated) £
Amounts owed from a group undertaking	2,394,444	2,464,382
Other debtors	619,271	175,624
Prepayments and accrued income	66,292	-
	3,080,007	2,640,006

The unsecured loan to the group undertaking is interest free and repayable on demand with no fixed repayment date.

7. Creditors: amounts falling due within one year

	2011 £	2010 (As restated) £
Other creditors	3,080,000	2,640,000

8. Called up share capital

	2011 Number	Authorised 2010 Number	Allotted and fully paid 2011 £	2010 £
Ordinary shares of £1.00 each	1,000	1,000	2	2

9. Reserves

	Called up Share Capital £	Profit and Loss Account £	Total £
At 1 April 2010 as previously stated	2	5	7
Prior year adjustment	-	-	-
	2	5	7
Profit for the financial year	-	1	1
At 31 March 2011	2	6	8

10. Cash flow statement exemption

The Company is a wholly owned subsidiary of Land Securities Group PLC which prepares a consolidated cash flow statement. The Company has therefore elected to make use of the exemption provided in Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements" not to produce its own cash flow statement.

11. Related party transactions

The Company is a wholly owned subsidiary of Land Securities Group PLC and has taken advantage of the exemption provided in paragraph 3(c) of Financial Reporting Standard 8 "Related Party Disclosures" not to make disclosure of transactions with other entities that are part of the group.

12. Parent company

The immediate parent company is Murrayfield Real Estate (Second Dundee) Limited.

The ultimate parent company at 31 March 2011 was Land Securities Group PLC, which is registered in England and Wales. This is the largest parent company of the group to consolidate these financial statements.

Consolidated financial statements for the year ended 31 March 2011 for Land Securities Group PLC can be obtained from the Company Secretary, 5 Strand, London WC2N 5AF. This is the largest and smallest Group to include these accounts in its consolidated financial statements.

13. Financial support

The ultimate parent company has informed the Company that it is its present intention to continue to provide financial support to the Company to enable it to meet its liabilities as they fall due.