Registered Number 4165931

LS BON ACCORD LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

Directors' Report for the year ended 31 March 2015

The directors present their report with the financial statements of the Company for the year ended 31 March 2015.

RESULTS FOR THE YEAR AND DIVIDEND

The results are set out in the Income Statement on page 2.

The directors do not recommend the payment of a dividend for the year ended 31 March 2015 (2014: £Nil).

PRINCIPAL ACTIVITY

The Company has become dormant in the year. No change in the Company's dormant status is anticipated in the foreseeable future.

GOING CONCERN

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.

DIRECTORS

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

Land Securities Management Services Limited	
LS Director Limited	
A M De Souza	(resigned 31 March 2015)
M Arnaouti	(appointed 1 April 2015)

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.

AUDITOR

The Company has exercised its entitlement under the Companies Act 2006 to exempt itself from the provisions of the Act relating to the audit of accounts.

Registered Office
5 Strand
London
WC2N 5AF

By order of the Board
L Miller for and on behalf of LS Company Secretaries Limited,
Company Secretary
9 December 2015

Registered and domiciled in England and Wales
Registered number: 4165931

Income Statement for the year ended 31 March 2015

	Notes	2015 £	2014 £
Net rental expense	3	-	(921)
Loss on disposal of investment properties		-	(1)
Operating loss		-	(922)
Loss before tax		-	(922)
Income tax	5	-	-
Loss for the financial year		-	(922)

Statement of comprehensive income for the year ended 31 March 2015

	2015 £	2014 £
Loss for the financial year	-	(922)
Other comprehensive income for the financial year	-	-
Total comprehensive loss for the financial year	-	(922)

Balance Sheet as at 31 March 2015

	Notes	31 March 2015 £	31 March 2014 £
Current liabilities			
Trade and other payables	6	**(914)**	(914)
Total current liabilities		**(914)**	(914)
Total liabilities		**(914)**	(914)
Net liabilities		**(914)**	(914)
Equity			
Capital and reserves attributable to the owners of the Parent			
Ordinary shares	7	**2**	2
Retained earnings		**(916)**	(916)
Total Equity		**(914)**	(914)

For the year ended 31 March 2015 the Company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to the accounting records and the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 2 to 9 were approved and authorised for issue by the board of directors on 9 December 2015 and were signed on its behalf by:

For and on behalf of LS Director Limited
C M Gill

Statement of changes in equity

	Ordinary shares £	Retained earnings £	Total £
At 1 April 2013	2	6	8
Loss for the year ended 31 March 2014	-	(922)	(922)
Total comprehensive loss for the year ended 31 March 2014	-	(922)	(922)
At 31 March 2014	**2**	**(916)**	**(914)**
Results for the year ended 31 March 2015	-	-	-
Total comprehensive income for the year ended 31 March 2015	-	-	-
At 31 March 2015	**2**	**(916)**	**(914)**

1. Basis of preparation

These financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties.

The results of the Company are included in the consolidated financial statements of Land Securities Group PLC which are available from 5 Strand, London, WC2N 5AF.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2015. The financial statements are prepared in Sterling.

2. Significant accounting policies

The accounting policies which follow set out those which apply in preparing the financial statements for the year ended 31 March 2015.

The accounting policies which follow set out those which apply in preparing the financial statements for the year ended 31 March 2014.

(a) Segmental reporting

The Company has ceased its business of granting subleases to third party tenants in the United Kingdom, as its leasehold interest in the property expired on 3 September 2012. The Company has become dormant in the year

(b) Investment properties

Investment properties are those properties, either owned by the Company or where the Company is a lessee under a finance lease, that are held either to earn rental income or for capital appreciation, or both. In addition, properties held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

Investment properties are measured initially at cost, including related transaction costs. After initial recognition at cost, investment properties are carried at their fair values based on market value determined by professional independent valuers at each reporting date. Properties are treated as acquired at the point when the Company assumes the significant risks and returns of ownership and as disposed when these are transferred to the buyer. This generally occurs on unconditional exchange or on completion, particularly if this is expected to occur significantly after exchange or the Group has significant outstanding obligations between exchange and completion. Additions to investment properties consist of costs of a capital nature and, in the case of investment properties under development, capitalised interest. Certain internal staff and associated costs directly attributable to the management of major schemes during the construction phase are also capitalised.

The difference between the fair value of an investment property at the reporting date and its carrying amount prior to re-measurement is included in the income statement as a valuation surplus or deficit. The profit on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset at the commencement of the accounting period plus capital expenditure in the period.

When the Company begins to redevelop an existing investment property for continued future use as an investment property, the property continues to be held as an investment property. When the Company begins to redevelop an existing investment property with a view to sell, the property is transferred to trading properties and held as a current asset. The property is re-measured to fair value as at the date of the transfer with any gain or loss being taken to the income statement. The re-measured amount becomes the deemed cost at which the property is then carried in trading properties.

Borrowing costs associated with direct expenditure on properties under development or undergoing major refurbishment are capitalised. The interest capitalised is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amount capitalised is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalised as from the commencement of the development work until the date of practical completion. The capitalisation of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalised on the purchase cost of land or property acquired specifically for redevelopment in the short term but only where activities necessary to prepare the asset for redevelopment are in progress.

(c) Other property, plant and equipment

This category comprises computers, motor vehicles, furniture, fixtures and fittings and improvements to Company offices. These assets are stated at cost less accumulated depreciation and are depreciated to their residual value on a straight-line basis over their estimated useful lives of between two and five years.

The residual values and useful lives of all property, plant and equipment are reviewed, and adjusted if appropriate, at least at each financial year end.

(d) Investment in a joint venture

Investments in a joint venture are carried at cost, less any repayment of joint venture capital and provision for impairment in value.

(e) Investment in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost in the Company's balance sheet, less any provision for impairment in value.

(f) Other investments

Other investments are available-for-sale financial assets and are held at fair value. Changes to fair value are recorded within other comprehensive income.

2. Significant accounting policies (continued)

(g) Trading properties and long-term development contracts

Trading properties are those properties held for sale or those being developed with a view to sell and are shown at the lower of cost and net realisable value. Proceeds received on the sale of trading properties are recognised within Revenue.

Revenue on long-term development contracts is recognised according to the stage reached in the contract by reference to the value of work completed using the percentage of completion method. An appropriate estimate of the profit attributable to work completed is recognised once the outcome of the contract can be estimated reliably. The gross amount due from customers for contract work is shown as a receivable. The gross amount due comprises costs incurred plus recognised profits less the sum of recognised losses and progress billings. Where the sum of recognised losses and progress billings exceeds costs incurred plus recognised profits, the amount is shown as a liability.

(h) Trade and other receivables

Trade and other receivables are recognised initially at fair value, subsequently at amortised cost and, where relevant, adjusted for the time value of money. A provision for impairment is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables concerned. If collection is expected in more than one year, they are classified as non-current assets.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or fewer. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are deducted from cash and cash equivalents for the purpose of the statement of cash flows.

(j) Provisions

A provision is recognised in the balance sheet when the Company has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where relevant, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(k) Revenue

Rental income from investment property leased out under an operating lease is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are an integral part of the net consideration for the use of the property and are therefore recognised on the same straight-line basis. Service charges and other recoveries are recorded as income in the periods in which they are earned.

When property is let under a finance lease, the Company recognises a receivable at an amount equal to the net investment in the lease at inception of the lease. Rentals received are accounted for as repayments of principal and finance income as appropriate. Finance income is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining net investment in the finance lease. Contingent rents, being lease payments that are not fixed at the inception of a lease, for example turnover rents, are recorded as income in the periods in which they are earned.

(l) Expenses

Property and contract expenditure is expensed as incurred with the exception of expenditure on long-term development contracts (see (g) above).

Rental payments made under an operating lease are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are an integral part of the net consideration for the use of the property and also recognised on a straight-line basis.

Minimum lease payments payable on finance leases and operating leases accounted for as finance leases under IAS 40 are apportioned between finance expense and reduction of the outstanding liability. Finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining liability. Contingent rents (as defined in (k) above) are charged as an expense in the periods in which they are incurred.

(m) Impairment

The carrying amounts of the Company's non-financial assets, other than investment properties (see (b) above), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below). An impairment loss is recognised in the income statement whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. The value in use is determined as the net present value of the future cash flows expected to be derived from the asset, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount after the reversal does not exceed the amount that would have been determined, net of applicable depreciation, if no impairment loss had been recognised.

(n) Interest

Interest is accounted for on an accruals basis.

2. Significant accounting policies (continued)

(o) Borrowing costs

Borrowing costs associated with direct expenditure on properties (both trading and investment) under development or undergoing major refurbishment are capitalised. The interest capitalised is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amount capitalised is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalised as from the commencement of the development work until the date of practical completion. The capitalisation of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalised on the purchase cost of land or property acquired specifically for redevelopment in the short-term but only where activities necessary to prepare the asset for redevelopment are in progress.

(p) Income taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years. Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

No provision is made for temporary differences (i) arising on the initial recognition of assets or liabilities, other than on a business combination, that affect neither accounting nor taxable profit and (ii) relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

(q) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make payment when due in accordance with the terms of a debt instrument. A pool of assets controlled by the Group but owned by various subsidiaries across the Group act as financial guarantee against Group debt. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation. In practice, where an asset acts as financial guarantee the value attached to this guarantee is nil.

(r) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company is the lessee

i) Operating lease – leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

ii) Finance lease – leases of assets where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised within investment properties at the commencement of the lease at the lower of the fair value of the property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and non-current borrowings. The finance charges are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The investment properties acquired under finance leases are subsequently carried at their fair value.

Company is the lessor

i) Operating lease – properties leased out to tenants under operating leases are included in investment properties in the balance sheet.

ii) Finance lease – when assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income.

Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return. Where only the buildings element of a property lease is classified as a finance lease, the land element is shown within operating leases.

(s) Dividends

Final dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

(t) Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary of Land Securities Group PLC, a Company incorporated in England and Wales whose consolidated financial statements are publicly available.

3. Revenue

	2015 £	2014 £
Other direct property or contract expenditure	-	(921)
Net rental expense	-	(921)

Other direct property or contract expenditure are costs incurred in the direct maintenance and upkeep of investment properties. Void costs, which include costs 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.

4. Management and administrative expenses

(a) Management services

The Company had no employees during the year (2014: None). Management services were provided to the Company throughout the year by Land Securities Properties Limited, which is a Group undertaking, and amount to **£Nil** (2014: £Nil).

(b) Directors' remuneration

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 **£Nil** (2014: £Nil).

(c) Auditor's remuneration

The Group auditor's remuneration is borne by Land Securities Properties Limited. The proportion of the remuneration which relates to the Company amounts to **£Nil** (2014: £1,545). The auditor received no remuneration for non-audit services provided to the Company during the year (2014: £Nil).

5. Income tax

	2015 £'000	2014 £'000
Current tax		
Income tax on profit for the year	-	-
Adjustment in respect of prior years	-	1
Total income tax credit in the income statement	-	1

Factors affecting the tax credit for the year

The tax for the year equates to (2014: higher than than) the standard rate of corporation tax in the UK of **21%** (2014: 23%). The difference in the prior year is explained below:

	2014
Loss before tax	(922)
Loss before tax multiplied by the rate of corporation tax in the prior year in the UK of 23%	(212)
Effects of:	
Adjustments in respect of prior years	212
Total income credit in the income statement (as above)	-

Land Securities Group PLC is a Real Estate Investment Trust (REIT). As a result the Company does not pay UK corporation tax on the profits and gains from qualifying rental business in the UK provided it meets certain conditions. Non-qualifying profits and gains of the Company continue to be subject to corporation tax as normal.

6. Trade and other payables

	2015 £	2014 £
Amounts due to a Group undertaking	914	914
Total current trade and other payables	914	914

7. Ordinary share capital

	Issued 2015 Number	Issued 2014 Number	Allotted and fully paid 2015 £	Allotted and fully paid 2014 £
Ordinary shares of £1.00 each	2	2	2	2

8. 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 FRS 101 not to produce its own cash flow statement.

9. Related party transactions

The Company is a wholly owned subsidiary of Land Securities Group PLC and has taken advantage of the exemption provided in FRS 101 not to make disclosure of transactions with other entities that are part of the Group.

10. Parent company

The immediate parent company is Land Securities SPV's Limited.

The ultimate parent company and controlling party at 31 March 2015 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 2015 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.

11. Going concern

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.