

Marks and Spencer (Lisburn) Limited

Report and Financial Statements

Year ended 31 March 2007

Registered Number 05386790

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Marks and Spencer (Lisburn) Limited
Report and financial statements
Year ended 31 March 2007

Report of the Directors

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2007

Principal activities

The Company is a financing vehicle for Marks and Spencer Group plc. The directors consider that in the conditions prevailing during the year, the development of the Company's business and its financial position at the end of the year were satisfactory. The directors do not expect any development in the Company's business in the coming year that is significantly different from its present activities.

Marks and Spencer (Lisburn) Limited is incorporated and domiciled in England and Wales. The Company's registered office is Waterside House, 35 North Wharf Road, London W2 1NW.

Results and dividends

The Company made a profit after taxation of £46,000 (last period £38,000) during the year. The directors do not recommend the payment of a dividend (last period £nil).

Directors

The directors who held office were as follows:

EM Haughey
RJ Ivens
GJ Oakley

Principal risks and uncertainties

The directors of Marks and Spencer Group plc manage the Group's risk at a Group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance or position of Marks and Spencer (Lisburn) Limited business. The principal risks and uncertainties of Marks and Spencer Group plc which include those of the Company are discussed on pages 39 to 41 of the Group's annual report which does not form part of this report. Copies of the Marks and Spencer Group plc annual report are available from the Company Secretary at Waterside House, 35 North Wharf Road, London W2 1NW or are available on the website www.marksandspencer.com.

Key performance indicators

Given the straight forward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Marks and Spencer (Lisburn) Limited
Report and financial statements
Year ended 31 March 2007

Report of the Directors continued

Directors' responsibilities for preparing the financial statements

The directors are obliged under company law to prepare financial statements for each financial year

The financial statements, of which the form and content is prescribed by the Companies Act 1985 and International Financial Reporting Standards (IFRS) as adopted by the European Union, must give a true and fair view of the state of the Company's affairs at the end of the financial year, and of the profit for that year

The directors are also responsible for the adoption of suitable accounting policies and their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements and estimates. They are also responsible for preparing 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 above requirements have been complied with in the financial statements.

In addition, the directors are responsible for maintaining adequate accounting records that 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 1985. They also ensure that there are sufficient internal controls to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

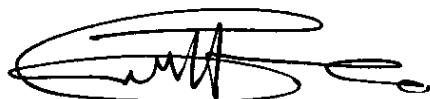
Audit information

The directors confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The Company has passed resolutions under sections 252, 366A and 386 of the Companies Act 1985 dispensing with the requirements to lay accounts and reports before the Company in general meeting, hold annual general meetings and reappoint auditors annually.

By Order of the Board



EM Haughey
Director
24 January 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARKS AND SPENCER (LISBURN) LIMITED

We have audited the financial statements of Marks and Spencer (Lisburn) Limited for the year ended 31 March 2007 which comprise the Income statement, the Balance sheet, the Cash flow statement, the Statement of changes in equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, 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 financial statements are free from material misstatement, 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, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 March 2007 and of its profit and cash flows for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
25 January 2008

Marks and Spencer (Lisburn) Limited
Income statement

		52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
	Notes		
Revenue	2	66	93
Cost of sales		-	-
Gross profit		66	93
Administrative expenses		(2)	(3)
Operating profit		64	90
Interest payable to Group undertakings		-	(36)
Profit on ordinary activities before taxation	4	64	54
Income tax expense	5	(18)	(16)
Profit for the year attributable to shareholders	7	46	38

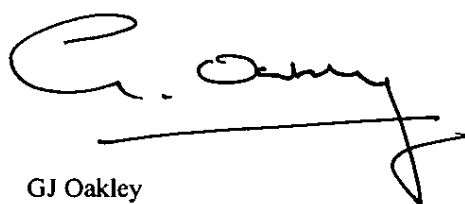
The Company has no recognised gains or losses other than those included in the income statement and therefore no separate statement of recognised income and expense has been presented

The notes on pages 7 to 9 are an integral part of these financial statements

Marks and Spencer (Lisburn) Limited
Balance sheet

		31 March 2007	1 April 2006
ASSETS	Notes	£000	£000
Non-current assets			
Amounts owed by Group undertakings		1,208	1,143
Current assets			
Amounts owed by Group undertakings		15	14
Total assets		1,223	1,157
LIABILITIES			
Current liabilities			
Amounts owed to Group undertakings		(5)	(3)
Current tax liabilities		(34)	(16)
Total liabilities		(39)	(19)
Net assets		1,184	1,138
EQUITY			
Called up share capital	6,7	1,100	1,100
Retained earnings	7	84	38
Total shareholders' equity	7	1,184	1,138

The Board of Directors approved the financial statements and related notes on pages 4 to 9 on 24 January 2008 and were signed on its behalf by



GJ Oakley
 Director

Marks and Spencer (Lisburn) Limited
Cash flow statement

	52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
Cash flows from operating activities		
Profit for the year	46	38
Interest expense	-	36
Income tax expense	18	16
Operating profit	64	90
Movement in amounts owed by Group undertakings	(64)	(90)
Net cash flow from operating activities	-	-
Net cash flow from activities	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	-	-

Last period the movement in amounts owed by Group undertakings includes a non-cash transaction for the issue of share capital of £1,100k settled through the intercompany account

Marks and Spencer (Lisburn) Limited
Notes to the financial statements
Year ended 31 March 2007

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS

A summary of the more important accounting policies adopted is set out below

Accounting convention

The financial statements are drawn up on the historical cost basis of accounting, except as disclosed in the accounting policies set out below

Revenue

Revenue represents rent and interest receivable from third parties and a fellow Group undertaking which is recognised on an accruals basis

Taxation

The tax charge comprises current tax payable

The current tax charge represents an estimate of the amounts payable to tax authorities in respect of the Company's taxable profits and is based on an interpretation of existing tax laws

2 REVENUE

	52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
Interest received from Group undertakings	66	64
Rental income from Group undertakings	-	18
Rental income from third parties	-	11
	66	93

3 DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION

The Company had no employees during the year (last period nil) No director received emoluments in respect of their services to the Company during the year (last period £nil)

Marks and Spencer (Lisburn) Limited
Notes to the financial statements
Year ended 31 March 2007

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
Profit on ordinary activities before taxation is stated after charging		
Auditors' remuneration for audit services	2	3

5 INCOME TAX EXPENSE

A Taxation Charge

	52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
UK corporation tax at 30%		
- current year	19	16
- prior year	(1)	-
Total income tax expense	18	16

B Taxation reconciliation

	52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
Profit before tax	64	54
Taxation at standard UK rate of 30% (last year 30%)	19	16
Adjustments in respect of prior years	(1)	-
Total income tax expense	18	16

The effective tax rate is 28.1% (last year 29.6%)

6 SHARE CAPITAL

	31 March 2007 £000	1 April 2006 £000
Authorised, allotted, called up and fully paid		
1,100,002 (last year 1,100,002) ordinary shares of £1 each	1,100	1,100

Marks and Spencer (Lisburn) Limited
Notes to the financial statements
Year ended 31 March 2007

7 STATEMENT OF CHANGES IN EQUITY

	Share Capital £000	Retained Earnings £000	Total £000
At 9 March 2005	-	-	-
Shares issued during the year	1,100	-	1,100
Profit for the year attributable to shareholders	-	38	38
At 1 April 2006	1,100	38	1,138
At 2 April 2006	1,100	38	1,138
Profit for the year attributable to shareholders	-	46	46
At 31 March 2007	1,100	84	1,184

8 RELATED PARTY DISCLOSURES

During the year, the Company had the following related party transactions

	52 weeks ended 31 March 2007 £000	55 weeks ended 1 April 2006 £000
Transactions:		
Rental income from Group undertakings	-	18
Interest receivable from Group undertakings	66	64
Interest payable to Group undertakings	-	(36)
	2007 £000	2006 £000
Balances:		
Loans to Group undertakings	1,208	1,143
Current accounts receivable from Group undertakings	15	14
Current accounts payable to Group undertakings	(5)	(3)

There were no other transactions with related parties

9 ULTIMATE PARENT COMPANY

The immediate parent undertaking is Marks and Spencer (Sprucefield) Limited. The intermediate undertaking is Marks and Spencer plc which is the smallest group to consolidate these financial statements. The ultimate parent undertaking and controlling party is Marks and Spencer Group plc, a company registered in England and Wales, which is the parent undertaking of the largest group to consolidate these financial statements. Copies of the Marks and Spencer Group plc consolidated financial statements can be obtained from the Company Secretary at Waterside House, 35 North Wharf Road, London W2 1NW.