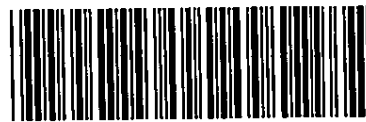


Registered Number 3934761

LAND SECURITIES TRADING LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

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COMPANIES HOUSE

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 has continued its business of property trading and as an investment holding company in the United Kingdom. No changes in the Company's principal activity are anticipated in the foreseeable future.

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.

DIRECTORS

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

M R Wood
Land Securities Management Limited
LS Director Limited
E Canaga
C O'Shea

INDEMNITY

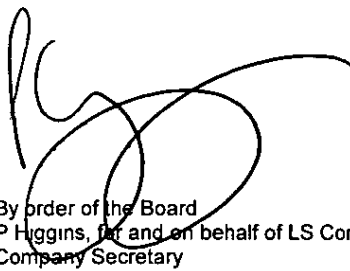
The Company has made qualifying third party indemnity provisions for the benefit of the respective directors which were in place throughout the year and which remain in place at the date of this report.

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



By order of the Board
P Higgins, for and on behalf of LS Company Secretaries Limited,
Company Secretary
14 December 2011

Registered in England and Wales
Registered number 3934761

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 Land Securities Trading Limited for the year ended 31 March 2011
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We have audited the financial statements of Land Securities Trading Limited for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Reconciliation of Movements in Total Shareholder's deficit, 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

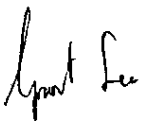
Opinion on other matter prescribed by the Companies Act 2006

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



Grant Lee (Senior Statutory Auditor)
 For and on behalf of PricewaterhouseCoopers LLP
 Chartered Accountants and Statutory Auditors
 London
 14 December 2011

Profit and Loss Account for the year ended 31 March 2011

	Notes	2011 £'000	2010 £'000
Rental income		31	81
Proceeds of trading stock sales		37	2,050
Service charges and other recoveries		-	135
Turnover		68	2,266
Gross property income		68	2,266
Trading stock cost of sales		(527)	302
Other direct property or contract expenditure		99	(326)
Reversal of bad debt expense / (bad debt expense)	2	1,501	(872)
Operating profit		1,141	1,370
Interest receivable and similar income	3	21	-
Interest payable and similar charges	4	(441)	(1,177)
Profit on ordinary activities before taxation		721	193
Taxation	5	(119)	(137)
Profit for the financial year		602	56

Reconciliation of Movements in Total Shareholder's Deficit for the year ended 31 March 2011

	2011 £'000	2010 £'000
Profit for the financial year	602	56
Reduction from shareholder's deficit	602	56
Opening shareholder's deficit	(3,132)	(3,188)
Closing shareholder's deficit	(2,530)	(3,132)

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

	Notes	2011 £'000	2010 £'000
Fixed assets			
Investment in a subsidiary undertaking	6	-	-
Current assets			
Stock Trading properties	7	918	874
Debtors falling due after one year	8	6,178	4,633
Debtors falling due within one year	9	476	209
		<u>7,572</u>	<u>5,716</u>
Creditors amounts falling due within one year	10	(9,602)	(8,848)
Net current liabilities		(2,030)	(3,132)
Total assets less current liabilities		(2,030)	(3,132)
Provision for liabilities and charges	11	(500)	-
Net liabilities		(2,530)	(3,132)
Capital and reserves			
Called up share capital	12	16,650	16,650
Profit and loss account	13	(19,180)	(19,782)
Total shareholder's deficit		(2,530)	(3,132)

The financial statements on pages 4 to 9 were approved and authorised for issue by the board directors on 14 December 2011 and were signed on its behalf by

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



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

(b) Turnover

Turnover is made up of proceeds on sale of trading properties, rental income, service charges and other recoveries from tenants of its trading properties

Income is credited to the Profit and Loss Account as space and other services are provided to customers. Gross property income includes costs recovered from tenants. Rental income includes the net income from managed operations such as car parks, food courts, serviced offices and flats

Service charges and other recoveries include income in relation to service charges and directly recoverable expenditure together with any chargeable management fee. In accordance with the Accounting Standards Board's (ASB) Urgent Issues Task Force Abstract 28 'Operating Lease Incentives' (UITF28) the Company treats any incentive for lessees to enter into lease agreements as a revenue cost and accounts for rental income from the commencement date of any rent-free period. The cost of all lease incentives (such as rent-free periods or contributions to tenants' fitting out costs) is, therefore, offset against the total rent due. The net rental income is then spread evenly over the shorter of the period from the rent commencement date to the date of the next rent review or the lease end date

(c) Interest

Interest is accounted for on an accruals basis

(d) Taxation

Taxation is charged at the corporation tax rate of 28%

(e) Trading properties

Trading properties are those properties held as stock for sale and, being current assets, are carried at the lower of cost or book value if transferred from fixed assets and net realisable value

Trading profits are recognised upon exchange of contracts for the unconditional sale of property

(f) Long-term development contracts

Turnover on long-term development contracts is recognised according to the stage reached in the contract by reference to the value of the work completed. An appropriate estimate of the profit attributable to the work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. The amount by which the turnover exceeds payments on account is shown under debtors as amount recoverable on contracts. The costs on long-term contracts not yet taken to the Profit and Loss Account, less any related foreseeable losses and payments on account are shown in stocks

(g) Investment in a subsidiary undertaking

The Company's investments in the shares of a subsidiary undertaking are carried at cost less provision for impairment in value

(h) Impairment of assets

Assets are reviewed annually for impairment. Where impairment exists the asset is written down to its net realisable value

(i) 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

(j) Segmental reporting

The Company's activities consist solely of property trading and investment in shares in the United Kingdom

(k) 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

2. Property management and administrative expenses

Property management and administrative expenses consist of all costs of managing the property, together with the costs of rent reviews and renewals, re-lettings of the property and management services as explained in note (a) below. No staff costs or overheads are capitalised.

(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).

(d) Reversal of bad debt expense / (bad debt expense)

In the prior year, 'reversal of bad debt expense / (bad debt expense)' was described as 'impairment of trading properties'. This amount relates to the write down of amounts due from other parties in connection with property development, therefore it is considered that it is more appropriately described as bad debt expense.

3. Interest receivable and similar income

	2011 £'000	2010 £'000
Sundry	21	-

4. Interest payable and similar charges

	2011 £'000	2010 £'000
On an amount owed to a group undertaking	441	1,177

5. Taxation

	2011 £'000	2010 £'000
Analysis of tax charge for the year		
Corporation tax on profit for the year	119	137
Tax charge on profit on ordinary activities	119	137
Factors affecting the tax charge for the year		
The tax assessed for the year is lower / higher than the standard rate of corporation tax in the UK of 28% (2010: 28%)		
The differences are explained below		
Profit on ordinary activities before taxation	721	193
Profit on ordinary activities multiplied by the standard rate in the UK at 28% (2010: 28%)	202	54
Effect of		
Expenses not deductible for tax purposes	(83)	83
Current tax charge for the year	119	137

6. Investment in a subsidiary undertaking

The directors believe that the carrying value of the investments is supported by their underlying net assets

The subsidiary undertaking of the Company is

Name	Class of shares owned	Percentage of share capital owned	Principal country of incorporation	Nature of business
LS North Weald Limited	£1 Ordinary shares	100%	England	Property Development

7. Trading properties

	2011 £'000	2010 £'000
Cost at 1 April	874	846
Additions	44	28
Cost at 31 March	<u>918</u>	<u>874</u>

8. Debtors: amounts falling due after one year

	2011 £'000	2010 £'000
Long-term contracts	6,178	3,897
Property sales debtors	-	736
	<u>6,178</u>	<u>4,633</u>

9. Debtors: amounts falling due within one year

	2011 £'000	2010 £'000
Trade debtors	5	3
Property sales debtors	403	123
Taxation and social security	58	11
Other debtors	10	66
Prepayments and accrued income	-	6
	<u>476</u>	<u>209</u>

10. Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Amount owed to a group undertaking	9,425	6,399
Corporation tax	119	137
Other creditors	2	2
Accruals and deferred income	56	2,310
	<u>9,602</u>	<u>8,848</u>

The unsecured loan from the group undertaking is repayable on demand with no fixed repayment date. Interest is charged at 5.5% per annum (2010 5.5%)

11. Provision for liabilities and charges

	£'000
At 1 April 2010	-
Reclassified from accruals	500
At 31 March 2011	<u>500</u>

12. Called up share capital

	2011 Number	Authorised 2010 Number	Allotted and fully paid 2011 £	2010 £
Ordinary shares of £1.00 each	25,000,000	25,000,000	16,650	16,650

13. Reserves

	Called up Share Capital £'000	Profit and Loss Account £'000	Total £'000
At 1 April 2010	16,650	(19,782)	(3,132)
Profit for the financial year	-	602	602
At 31 March 2011	16,650	(19,180)	(2,530)

14. 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.

15. 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.

16. Parent company

The immediate parent company is LS London Holdings Three 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.

17. 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.