

Notes to the Financial Statements

1. Basis of preparation

The condensed financial information comprises the consolidated balance sheets as at 30 September 2008, 30 September 2007 and 31 March 2008 and related consolidated statements of income, cash flow, and recognised income and expense and the related notes for periods then ended. The condensed financial information contained in this Half Yearly report is unaudited and does not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985. The Annual Report and Accounts for the year ended 31 March 2008, which were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union, received an unqualified auditors' report and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985, or include a reference to any matter to which the auditors drew attention by way of emphasis without qualifying their report, and have been filed with the Registrar of Companies. The unaudited condensed financial information has been prepared in accordance with Disclosure and Transparency Rules of the Financial Services Authority and with IAS34 'Interim Financial Reporting', as adopted by the EU, and on the basis of the accounting policies, significant judgements, key assumptions and estimates as set out in notes 2 and 3 of the Group's Annual Report and Accounts for the year ended 31 March 2008, as amended to reflect the adoption of new Standards, Amendments to Standards and Interpretations which are mandatory for the year ended 31 March 2009. The new requirements arising from IFRIC 12 'Service Concession Arrangements' and IFRIC 14 'IAS 19 The limit on a defined benefit asset, minimum funding requirements and their interaction' are not relevant for the Group. The Group's financial performance does not suffer materially from seasonal fluctuations. The Group has reviewed its management structure and reduced the number of business segments from four to three. The assets, liabilities, income and expenses of Other Investment Portfolio have been reallocated to Retail Portfolio and London Portfolio on the basis of how they are now managed.

2. Segmental information

	Six months ended 30 September 2008				Six months ended 30 September 2007				Year ended 31 March 2008			
	Retail Portfolio £m	London Portfolio £m	Trillium £m	Total £m	Retail Portfolio (restated) £m	London Portfolio (restated) £m	Trillium £m	Total £m	Retail Portfolio (restated) £m	London Portfolio (restated) £m	Trillium £m	Total £m
Income statements												
Rental income	136.5	171.8	-	308.3	131.8	159.1	-	290.9	274.7	335.2	-	609.9
Service charge income	21.3	29.7	-	51.0	22.5	22.3	-	44.8	47.5	53.7	-	101.2
Property services income	-	-	364.3	364.3	-	-	380.6	380.6	-	-	761.0	761.0
Trading property sale proceeds	6.9	-	-	6.9	-	-	-	-	1.3	42.3	-	43.6
Long-term development contract income	-	20.1	-	20.1	-	13.9	-	13.9	-	26.3	-	26.3
Finance lease interest	1.4	2.9	6.7	11.0	1.6	2.9	-	4.5	2.9	5.9	10.4	19.2
Revenue	166.1	224.5	371.0	761.6	155.9	198.2	380.6	734.7	326.4	463.4	771.4	1,561.2
Rents payable	(5.9)	(2.3)	(87.6)	(95.8)	(6.0)	(2.6)	(83.8)	(92.4)	(11.0)	(5.3)	(175.1)	(191.4)
Other direct property or contract expenditure	(31.5)	(38.6)	(185.6)	(255.7)	(30.7)	(30.1)	(210.7)	(271.5)	(64.8)	(73.5)	(403.6)	(541.9)
Indirect property or contract expenditure	(18.0)	(16.7)	(8.4)	(43.1)	(18.9)	(16.4)	(8.2)	(43.5)	(35.7)	(30.3)	(13.7)	(79.7)
Long-term development contract expenditure	-	(18.4)	-	(18.4)	-	(12.9)	-	(12.9)	-	(24.3)	-	(24.3)
Bid costs	-	-	(11.8)	(11.8)	-	-	(3.1)	(3.1)	-	-	(11.9)	(11.9)
Cost of sales of trading properties	(6.1)	(0.3)	-	(6.4)	-	-	-	-	(0.9)	(39.9)	-	(40.8)
Depreciation	(1.1)	(3.0)	(16.6)	(20.7)	(1.2)	(2.6)	(17.0)	(20.8)	(2.3)	(5.5)	(38.0)	(45.8)
Underlying operating profit	103.5	145.2	61.0	309.7	99.1	133.6	57.8	290.5	211.7	284.6	129.1	625.4
Profit / (loss) on disposal of non-current properties	1.2	(1.9)	2.2	1.5	25.0	38.9	15.1	79.0	16.4	40.9	18.1	75.4
Goodwill impairment	-	-	(147.6)	(147.6)	-	-	-	-	-	-	-	-
Net (deficit) / surplus on revaluation of investment properties	(727.7)	(789.0)	(46.0)	(1,562.7)	(128.9)	283.2	(8.8)	145.5	(680.7)	(464.7)	(24.9)	(1,170.3)
Segment result	(623.0)	(645.7)	(130.4)	(1,399.1)	(4.8)	455.7	64.1	515.0	(452.6)	(139.2)	122.3	(469.5)
Demerger costs				(16.4)				-				(9.8)
Unallocated expenses				(8.0)				(6.2)				(13.0)
Operating (loss) / profit				(1,423.5)				508.8				(492.3)
Net interest expense (note 3)				(119.4)				(133.8)				(295.0)
				(1,542.9)				375.0				(787.3)
Share of the (losses) / profits of joint ventures (post-tax)												
- Retail Portfolio				(181.8)				(9.9)				(86.7)
- London Portfolio				(10.2)				-				(14.4)
- Trillium				(0.3)				0.1				0.1
				(192.3)				(9.8)				(101.0)
Share of the loss of an associate undertaking				(2.0)				-				(0.5)
(Loss) / profit before tax from continuing activities				(1,737.2)				365.2				(888.8)

Included within rents payable is finance lease interest payable of £1.3m (30 September 2007: £0.9m; 31 March 2008: £2.0m) and £1.2m (30 September 2007: £1.5m; 31 March 2008: £2.8m) respectively for Retail Portfolio and London Portfolio.

All of the share of the loss of an associate undertaking is attributable to Trillium.

2. Segmental information continued	At 30 September 2008				At 30 September 2007				At 31 March 2008			
	Retail Portfolio £m	London Portfolio £m	Trillium £m	Total £m	Retail Portfolio (restated) £m	London Portfolio (restated) £m	Trillium £m	Total £m	Retail Portfolio (restated) £m	London Portfolio (restated) £m	Trillium £m	Total £m
Balance sheets												
Investment properties	4,068.1	6,238.1	528.5	10,834.7	5,215.8	8,093.0	572.2	13,881.0	4,664.7	7,069.6	562.4	12,296.7
Operating properties	-	-	521.0	521.0	-	-	534.4	534.4	-	-	544.8	544.8
Other property, plant and equipment	4.6	9.7	55.0	69.3	7.7	11.9	55.4	75.0	8.0	11.7	53.9	73.6
Net investment in finance leases	53.2	103.5	194.7	351.4	57.5	102.7	136.0	296.2	53.2	104.8	175.7	333.7
Investments in Public Private Partnerships	-	-	8.2	8.2	-	-	21.0	21.0	-	-	25.4	25.4
Goodwill	-	-	-	-	-	-	129.6	129.6	-	-	148.6	148.6
Investments in equity accounted joint ventures	1,267.3	48.3	5.0	1,320.6	1,342.8	13.4	5.0	1,361.2	1,377.4	28.1	5.1	1,410.6
Investment in an equity accounted associate	-	-	42.0	42.0	-	-	-	-	-	-	42.9	42.9
Trading properties and long-term development contracts	10.5	170.7	1.9	183.1	12.6	161.1	1.5	175.2	16.5	152.5	4.0	173.0
Trade and other receivables	166.4	212.6	188.6	567.6	157.0	249.9	228.8	635.7	205.2	411.2	221.3	837.7
Non-current assets classified as held for sale	-	-	283.5	283.5	-	-	2,568.9	2,568.9	-	-	664.1	664.1
Segment assets	5,570.1	6,782.9	1,828.4	14,181.4	6,793.4	8,632.0	4,252.8	19,678.2	6,325.0	7,777.9	2,448.2	16,551.1
Unallocated assets				38.8				42.9				64.0
Total assets				14,220.2				19,721.1				16,615.1
Trade and other payables	(248.9)	(286.4)	(320.8)	(856.1)	(311.3)	(241.3)	(380.8)	(933.4)	(282.6)	(243.9)	(338.2)	(864.7)
Provisions	-	-	(84.2)	(84.2)	-	-	(80.9)	(80.9)	-	-	(77.6)	(77.6)
Liabilities directly associated with non-current assets classified as held for sale	-	-	(117.6)	(117.6)	-	-	(1,655.9)	(1,655.9)	-	-	(427.7)	(427.7)
Segment liabilities	(248.9)	(286.4)	(522.6)	(1,057.9)	(311.3)	(241.3)	(2,117.6)	(2,670.2)	(282.6)	(243.9)	(843.5)	(1,370.0)
Unallocated liabilities				(5,458.2)				(6,127.9)				(5,662.2)
Total liabilities				(6,516.1)				(8,798.1)				(7,032.2)

All the Group's operations are in the UK and are organised into three main business segments against which the Group reports its primary segment information. These are Retail Portfolio, London Portfolio and Trillium.

3. Net interest expense	Six months ended 30 September 2008 £m	Six months ended 30 September 2007 £m	Year ended 31 March 2008 £m
Interest expense			
Bond and debenture debt	(97.7)	(97.9)	(195.1)
Bank borrowings	(53.1)	(65.0)	(136.4)
Other interest payable	(1.5)	(0.5)	(2.2)
Fair value losses on interest rate swaps	-	(4.2)	(21.9)
Provision discounting	(0.7)	(0.8)	(1.6)
Amortisation of bond exchange de-recognition (note 13)	(5.9)	(2.3)	(7.6)
Interest on pension scheme liabilities	(4.2)	(3.9)	(8.1)
	(163.1)	(174.6)	(372.9)
Interest capitalised in relation to properties under development	21.2	28.0	48.5
Total interest expense	(141.9)	(146.6)	(324.4)
Interest income			
Short-term deposits	2.3	1.1	4.1
Other interest receivable	0.6	0.8	1.3
Interest receivable from joint ventures	10.4	6.6	15.0
Fair value gains on interest rate swaps	4.7	-	-
Expected return on pension scheme assets	4.5	4.3	9.0
Total interest income	22.5	12.8	29.4
Net interest expense	(119.4)	(133.8)	(295.0)

Included within rents payable (note 2) is finance lease interest payable of **£2.5m** (30 September 2007: £2.4m; 31 March 2008: £4.8m).

4. Exceptional items	Six months ended 30 September 2008 £m	Six months ended 30 September 2007 £m	Year ended 31 March 2008 £m
Goodwill impairment	147.6	-	-
Exceptional items before tax	147.6	-	-
Taxation on goodwill impairment	-	-	-
	147.6	-	-

The reduction in the availability of long-term debt funding at a reasonable cost has had an adverse impact on Trillium's new business prospects, and as a result triggered an impairment review as required by IAS 36 Impairment of Assets. The goodwill carried in the Group's balance sheet relates entirely to the acquisition of the Group's Trillium business and subsequent acquisitions by Trillium, which together form a single cash generating unit.

Impairment has been tested by comparing the carrying amount of the business' assets and liabilities with their recoverable amount, in this case being their value in use. The latter has been calculated by reference to the cash flow projections for the entire term of each of Trillium's contracts. The cash flow projections have been prepared on the basis of strategic plans, knowledge of the market and management's views on achievable new business gains over the longer term.

The main assumptions underlying the forecasts are the relative inflation rates applying to costs and revenues, and the amount of expenditure required to fulfil the service level commitments, the vacation rate under the DWP contract, and the value of new business from Property Partnerships and PPP. The cash flows are discounted using Trillium's weighted average cost of capital of 9.0% (31 March 2008: 7.5%).

As a result of the review of Trillium's recoverable amount, an impairment loss of £147.6m has been recognised in the Income Statement. A sensitivity analysis has been performed on the base case assumptions used for assessing the goodwill and management have concluded there are no changes in key assumptions which are reasonably likely and that would cause the value in use to exceed the carrying amount of the assets (including goodwill) and liabilities.

5. Income tax (credit) / expense	Six months ended 30 September 2008 £m	Six months ended 30 September 2007 £m	Year ended 31 March 2008 £m
Current tax			
Corporation tax expense for the period	4.3	6.7	10.3
Adjustment in respect of prior periods	(1.0)	1.2	(17.9)
Corporation tax in respect of property disposals	-	-	0.5
Total current tax expense / (credit)	3.3	7.9	(7.1)
Deferred tax			
Origination and reversal of timing differences	(0.4)	0.3	(3.4)
Total deferred tax (credit) / expense	(0.4)	0.3	(3.4)
Total income tax expense / (credit) in the income statement	2.9	8.2	(10.5)

The tax for the period is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below:

(Loss) / profit on activities before taxation	(1,737.2)	365.2	(888.8)
(Loss) / profit on activities multiplied by rate of corporation tax in the UK of 28% (31 March 2008: 30%)	(486.4)	109.6	(266.7)
Effects of:			
Corporation tax on disposal of non-current assets	0.9	-	6.3
Goodwill impairment	41.3	-	-
Joint venture accounting adjustments	-	7.1	0.9
Prior period corporation tax adjustments	(1.0)	1.2	(17.9)
Prior period deferred tax adjustments	(0.2)	-	(2.9)
Non-allowable expenses and non-taxable items	11.8	12.6	19.8
Exempt property rental profits in the period	437.6	(99.6)	278.9
Exempt property gains in the period	(1.1)	(22.7)	(28.9)
Total income tax expense / (credit) in the income statement (as above)	2.9	8.2	(10.5)

Land Securities Group PLC elected for group Real Estate Investment Trust (REIT) status with effect from 1 January 2007. As a result the Group no longer pays 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 Group continue to be subject to corporation tax as normal.

The calculation of the Group's tax expense and liability necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until a formal resolution has been reached with the relevant tax authorities. If all such issues are resolved in the Group's favour, provisions established in previous periods of up to £218.0m could be released in the future.

6. Dividends	Six months ended 30 September 2008 £m	Six months ended 30 September 2007 £m	Year ended 31 March 2008 £m
Ordinary dividends paid			
Final dividend for the year ended 31 March 2007 (34.00p per share)	-	159.5	159.5
First quarterly dividend for the year ended 31 March 2008 (16.00p per share)	-	-	74.5
Second quarterly dividend for the year ended 31 March 2008 (16.00p per share)	-	-	74.4
Third quarterly dividend for the year ended 31 March 2008 (16.00p per share)	74.4	-	-
Final quarterly dividend for the year ended 31 March 2008 (16.00p per share)	74.4	-	-
	148.8	159.5	308.4

The Board has proposed a second quarterly dividend of **16.50p** per share in addition to the first quarterly dividend of **16.50p** paid on 24 October 2008 (first quarterly dividend for the year ended 31 March 2008: 16.00p, second quarterly dividend for the year ended 31 March 2008: 16.00p). It will be paid on 12 January 2009 to shareholders who are on the Register of Members on 5 December 2008.

7. (Loss) / earnings per share	Six months ended 30 September 2008 £m	Six months ended 30 September 2007 £m	Year ended 31 March 2008 £m
(Loss) / profit for the financial period	(1,740.1)	357.0	(878.3)
Revaluation deficits / (surpluses) – Group	1,562.7	(145.5)	1,170.3
– joint ventures	206.4	23.5	134.2
(Profits) / losses on non-current property disposals after current and deferred tax – Group	(1.5)	(79.0)	(74.9)
– joint ventures	(1.9)	7.3	7.1
Goodwill impairment	147.6	-	-
Demerger costs (net of taxation)	16.4	-	6.9
Prior year non-revenue tax adjustments	-	-	(16.2)
Mark-to-market adjustment on interest rate swaps	(0.9)	4.2	22.4
EPRA adjusted earnings	188.7	167.5	371.5
Eliminate effect of debt restructuring charges (net of taxation)	(0.3)	1.0	1.9
Eliminate effect of bond exchange de-recognition	5.9	2.3	7.6
Adjusted earnings	194.3	170.8	381.0
	No. m	No. m	No. m
Weighted average number of ordinary shares	471.0	470.4	470.6
Effect of own shares and treasury shares	(7.1)	(3.3)	(5.4)
Weighted average number of ordinary shares after adjusting for own shares	463.9	467.1	465.2
Effect of dilutive share options	0.6	1.3	1.1
Weighted average number of ordinary shares adjusted for dilutive instruments	464.5	468.4	466.3
	pence	pence	pence
Basic (loss) / earnings per share	(375.10)	76.43	(188.80)
Diluted (loss) / earnings per share	(375.10)	76.22	(188.80)
Adjusted earnings per share	41.88	36.57	81.90
Adjusted diluted earnings per share	41.83	36.46	81.71
EPRA adjusted diluted earnings per share	40.62	35.76	79.67

Management have chosen to disclose adjusted earnings per share in order to provide an indication of the Group's underlying business performance. Accordingly, it excludes the effect of all exceptional items, debt and other restructuring charges, and other items of a capital nature (other than trading properties and long-term contract profits) as indicated above. An EPRA measure has been included to assist comparison between European property companies. We believe our measure of adjusted diluted earnings per share is more appropriate than the EPRA measure in the context of our business.

8. Net assets per share	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Net assets attributable to equity shareholders	7,704.1	10,923.0	9,582.9
Cumulative mark-to-market adjustment on interest rate swaps – Group	7.9	(10.4)	10.7
– joint ventures	1.9	(4.1)	1.5
– an associate undertaking	2.5	-	0.5
EPRA adjusted net assets	7,716.4	10,908.5	9,595.6
Reverse bond exchange de-recognition adjustment	(505.6)	(516.8)	(511.5)
Adjusted net assets attributable to equity shareholders	7,210.8	10,391.7	9,084.1
Reinstate bond exchange de-recognition adjustment	505.6	516.8	511.5
Cumulative mark-to-market adjustment on interest rate swaps – Group	(7.9)	10.4	(10.7)
– joint ventures	(1.9)	4.1	(1.5)
– an associate undertaking	(2.5)	-	(0.5)
Excess of fair value of debt over book value (note 13)	45.5	(341.4)	(208.7)
EPRA triple net assets value	7,749.6	10,581.6	9,374.2
	No. m	No. m	No. m
Number of ordinary shares	471.1	470.5	470.9
Effect of own shares and treasury shares	(6.9)	(6.9)	(7.2)
Number of ordinary shares after adjusting for own shares	464.2	463.6	463.7
Effect of dilutive share options	0.3	1.1	0.7
Number of ordinary shares adjusted for dilutive instruments	464.5	464.7	464.4
	pence	pence	pence
Net assets per share	1660	2356	2067
Diluted net assets per share	1659	2351	2064
Adjusted net assets per share	1553	2242	1959
Adjusted diluted net assets per share	1552	2236	1956
EPRA measure – adjusted diluted net assets per share	1661	2347	2066
– diluted triple net assets per share	1668	2277	2019

Adjusted net assets per share excludes mark-to-market adjustments on financial instruments used for hedging purposes and the bond exchange de-recognition adjustment as management consider that this better represents the expected future cash flows of the Group. EPRA measures have been included to assist comparison between European property companies. We believe our measure of adjusted net assets attributable to equity shareholders is more indicative of underlying performance.

9. Non-current assets	Portfolio management £m	Development programme £m	Trillium £m	Total investment properties £m	Operating properties £m	Other property, plant and equipment £m	Total £m
Net book value at 31 March 2007	10,607.4	2,284.3	427.6	13,319.3	551.5	78.2	13,949.0
Properties transferred from portfolio management into the development programme during the period (at 1 April 2007 valuation)	(21.9)	21.9	-	-	-	-	-
Developments completed, let and transferred from the development programme into portfolio management during the period	1,230.5	(1,230.5)	-	-	-	-	-
Property acquisitions	546.2	-	149.4	695.6	3.6	-	699.2
Capital expenditure	62.7	301.7	3.0	367.4	9.4	5.3	382.1
Capitalised interest	-	26.6	-	26.6	-	-	26.6
Disposals	(652.2)	-	(0.6)	(652.8)	(16.9)	-	(669.7)
Transferred to trading properties	-	(17.4)	-	(17.4)	(0.8)	-	(18.2)
Surrender premiums received	(3.3)	-	-	(3.3)	-	-	(3.3)
Depreciation	(1.5)	-	-	(1.5)	(10.8)	(8.5)	(20.8)
(Deficit) / surplus on revaluation	(23.0)	177.3	(8.8)	145.5	-	-	145.5
Net book value at 30 September 2007	11,744.9	1,563.9	570.6	13,879.4	536.0	75.0	14,490.4
Properties transferred from portfolio management into the development programme during the period (at 1 April 2007 valuation)	(196.8)	196.8	-	-	-	-	-
Developments completed, let and transferred from the development programme into portfolio management during the period	261.0	(261.0)	-	-	-	-	-
Property acquisitions	168.0	0.2	-	168.2	5.3	-	173.5
Capital expenditure	54.8	165.6	3.8	224.2	23.0	10.8	258.0
Capitalised interest	1.4	17.1	-	18.5	-	-	18.5
Disposals	(447.2)	(2.2)	-	(449.4)	-	(0.7)	(450.1)
Transfers to joint ventures	(228.2)	-	-	(228.2)	-	-	(228.2)
Transfers to trading properties	-	-	-	-	(3.3)	-	(3.3)
Reclassifications	-	-	4.1	4.1	(4.1)	-	-
Surrender premiums received	(2.9)	-	-	(2.9)	-	-	(2.9)
Depreciation	(1.4)	-	-	(1.4)	(12.1)	(11.5)	(25.0)
Deficit on revaluation	(1,015.3)	(284.4)	(16.1)	(1,315.8)	-	-	(1,315.8)
Net book value at 31 March 2008	10,338.3	1,396.0	562.4	12,296.7	544.8	73.6	12,915.1
Developments completed, let and transferred from the development programme into portfolio management during the period	256.2	(256.2)	-	-	-	-	-
Property acquisitions	93.4	-	-	93.4	0.8	-	94.2
Capital expenditure	63.0	147.2	8.8	219.0	11.1	5.3	235.4
Capitalised interest	6.1	13.5	-	19.6	-	-	19.6
Disposals	(46.3)	-	(10.6)	(56.9)	(11.3)	(0.6)	(68.8)
Transfers to joint ventures	(186.3)	-	-	(186.3)	-	-	(186.3)
Transfers to trading properties	-	-	13.9	13.9	(14.1)	(0.2)	(0.4)
Surrender premiums received	(0.4)	-	-	(0.4)	-	-	(0.4)
Depreciation	(1.6)	-	-	(1.6)	(10.3)	(8.8)	(20.7)
Deficit on revaluation	(1,381.1)	(135.6)	(46.0)	(1,562.7)	-	-	(1,562.7)
Net book value at 30 September 2008	9,141.3	1,164.9	528.5	10,834.7	521.0	69.3	11,425.0

9. Non-current assets continued

The following table reconciles the net book value of the investment properties (excluding those within Trillium) to the market value. Trillium has been excluded from this reconciliation as the net book value and the market value are not materially different. The components of the reconciliation are included within their relevant balance sheet headings.

	Portfolio management £m	Development programme £m	Property investment Total investment properties £m
Net book value at 30 September 2007	11,744.9	1,563.9	13,308.8
Plus: amount included in prepayments in respect of lease incentives	144.8	15.0	159.8
Less: head leases capitalised	(66.8)	(3.3)	(70.1)
Plus: properties treated as finance leases	151.6	-	151.6
Market value at 30 September 2007 – Group	11,974.5	1,575.6	13,550.1
– plus: share of joint ventures (note 11)			1,493.1
Market value at 30 September 2007 – Group and share of joint ventures			15,043.2
Net book value at 31 March 2008	10,338.3	1,396.0	11,734.3
Plus: amount included in prepayments in respect of lease incentives	156.3	24.3	180.6
Less: head leases capitalised	(65.3)	(2.0)	(67.3)
Plus: properties treated as finance leases	149.2	-	149.2
Market value at 31 March 2008 – Group	10,578.5	1,418.3	11,996.8
– plus: share of joint ventures (note 11)			1,589.9
Market value at 31 March 2008 – Group and share of joint ventures			13,586.7
Net book value at 30 September 2008	9,141.3	1,164.9	10,306.2
Plus: amount included in prepayments in respect of lease incentives	139.3	31.7	171.0
Less: head leases capitalised	(75.2)	(2.0)	(77.2)
Plus: properties treated as finance leases	131.0	-	131.0
Market value at 30 September 2008 – Group	9,336.4	1,194.6	10,531.0
– plus: share of joint ventures (note 11)			1,586.9
Market value at 30 September 2008 – Group and share of joint ventures			12,117.9

Included in investment properties are leasehold properties with a net book value of **£1,338.8m** (30 September 2007: £2,004.1m; 31 March 2008: £1,368.1m).

In accordance with IFRS 1 'First time adoption of International Reporting Standards' and IAS 17 'Leases', the Group reviewed the classification of all leases at the opening balance sheet date of 1 April 2004. In reviewing leases of land and buildings in accordance with IAS 17 the land and buildings elements of the lease need to be considered separately. On this basis, leases on 43 properties entered into between 1923 and 2003 were reclassified as finance leases in these accounts. This resulted in an increase in fixed assets of £77.2m and a finance lease creditor of the same amount at first time adoption on 1 April 2004. At 30 September 2008 leases on 28 properties (30 September 2007: 30; 31 March 2008: 25) entered into between 1960 and 2008 were classified as finance leases. The corresponding increase in fixed assets and finance lease creditor was **£77.2m** (30 September 2007: £70.1m; 31 March 2008: £67.3m). Operating lease expense has reduced by **£3.6m** (30 September 2007: £3.4m; 31 March 2008: £6.7m).

The fair value of the Group's investment properties at 30 September 2008 has been arrived at on the basis of a valuation carried out at that date by Knight Frank LLP, external valuers. The valuation by Knight Frank LLP, which conforms to Appraisal and Valuation Standards of the Royal Institution of Chartered Surveyors and with IVA 1 of the International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties. Fixed asset properties include capitalised interest of **£176.5m** (30 September 2007: £194.0m; 31 March 2008: £211.7m). The average rate of capitalisation is **5.5%** (30 September 2007: 5.5%; 31 March 2008: 5.5%). The historical cost of investment properties is **£7,996.2m** (30 September 2007: £7,829.0m; 31 March 2008: £7,813.2m).

The current value of investment properties in respect of proposed developments is **£480.4m** (30 September 2007: £554.9m; 31 March 2008: £639.6m). Developments are transferred out of the development programme when physically complete and 95% let. The schemes completed during the period were 10 Eastbourne Terrace, W2 and 50 Queen Anne's Gate, SW1.

10. Net investment in finance leases	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Non-current			
Finance leases – gross receivables	708.0	621.4	692.8
Unearned finance income	(383.1)	(351.7)	(385.6)
Unguaranteed residual value	26.5	26.5	26.5
	351.4	296.2	333.7
Current			
Finance leases – gross receivables	31.0	16.6	27.4
Unearned finance income	(22.1)	(12.3)	(20.3)
	8.9	4.3	7.1
Total net investment in finance leases	360.3	300.5	340.8

11. Investments in joint ventures

Period ended 30 September 2008 and at 30 September 2008

Summary financial information of Group's share of joint ventures	The Scottish Retail Property Limited Partnership £m	Metro Shopping Fund Limited Partnership £m	Buchanan Partnership £m	St. David's Limited Partnership £m	The Bull Ring Limited Partnership £m	Bristol Alliance Limited Partnership £m	The Harvest Limited Partnership £m	The Oriana Limited Partnership £m	Other ⁽¹⁾ £m	Total £m
Income statement										
Rental income	4.7	6.0	4.2	2.5	8.0	1.9	1.9	2.2	1.9	33.3
Service charge income	0.8	1.3	0.9	0.4	1.2	-	-	0.1	0.1	4.8
Property services income	-	-	-	-	-	-	-	-	-	-
Trading property sale proceeds	-	-	-	-	-	-	-	-	1.2	1.2
Revenue	5.5	7.3	5.1	2.9	9.2	1.9	1.9	2.3	3.2	39.3
Rents payable	(0.2)	-	-	-	-	-	-	-	-	(0.2)
Other direct property expenditure	(1.7)	(1.9)	(1.6)	(0.8)	(2.6)	(0.6)	-	(0.2)	(0.4)	(9.8)
Indirect property expenditure	(0.2)	(0.5)	(0.1)	(0.1)	(0.2)	-	(0.1)	(0.5)	(0.4)	(2.1)
Cost of sales of trading properties	-	-	-	-	-	-	-	-	(1.1)	(1.1)
	3.4	4.9	3.4	2.0	6.4	1.3	1.8	1.6	1.3	26.1
Profit on disposal of non-current properties	-	0.1	-	-	-	1.1	-	-	0.7	1.9
Net deficit on revaluation of investment properties	(20.2)	(25.1)	(27.2)	(54.1)	(43.5)	(22.4)	(1.6)	(0.4)	(11.9)	(206.4)
Operating (loss) / profit	(16.8)	(20.1)	(23.8)	(52.1)	(37.1)	(20.0)	0.2	1.2	(9.9)	(178.4)
Net finance (costs) / income	(1.5)	(5.3)	(1.8)	0.1	-	-	-	(2.9)	(1.6)	(13.0)
(Loss) / profit before tax	(18.3)	(25.4)	(25.6)	(52.0)	(37.1)	(20.0)	0.2	(1.7)	(11.5)	(191.4)
Income tax expense	(0.2)	(0.7)	-	-	-	-	-	-	-	(0.9)
Share of (losses) / profits of joint ventures after tax										
	(18.5)	(26.1)	(25.6)	(52.0)	(37.1)	(20.0)	0.2	(1.7)	(11.5)	(192.3)
Balance sheet										
Investment properties ⁽²⁾	110.2	223.4	150.5	229.4	244.7	317.4	78.7	87.9	133.4	1,575.6
Current assets	8.8	6.6	3.9	119.8	10.6	19.7	4.5	2.0	75.9	251.8
	119.0	230.0	154.4	349.2	255.3	337.1	83.2	89.9	209.3	1,827.4
Current liabilities	(2.1)	(6.6)	(1.7)	(18.5)	(9.5)	(19.9)	(1.0)	(13.5)	(17.2)	(90.0)
Non-current liabilities	(61.9)	(176.9)	-	(0.5)	-	(2.4)	-	(69.2)	(105.9)	(416.8)
	(64.0)	(183.5)	(1.7)	(19.0)	(9.5)	(22.3)	(1.0)	(82.7)	(123.1)	(506.8)
Net assets	55.0	46.5	152.7	330.2	245.8	314.8	82.2	7.2	86.2	1,320.6
Capital commitments	1.6	1.3	1.3	90.9	-	8.7	0.2	-	2.3	106.3
Market value of investment properties ⁽²⁾	109.4	224.4	154.0	229.3	250.0	319.9	78.9	88.0	133.0	1,586.9
Net (debt) / cash	(55.0)	(173.1)	0.4	4.2	0.5	8.9	2.4	(67.7)	(90.5)	(369.9)
Net investment										
At 1 April 2008	73.0	69.9	179.6	346.7	289.3	284.4	64.5	9.0	94.2	1,410.6
Properties contributed	-	-	-	-	-	-	-	-	215.5	215.5
Cash contributed	-	1.8	1.0	-	-	-	17.5	-	3.2	23.5
Share of post-tax results	(18.5)	(26.1)	(25.6)	(52.0)	(37.1)	(20.0)	0.2	(1.7)	(11.5)	(192.3)
Distributions	-	-	(2.3)	-	-	-	-	(0.1)	(9.3)	(11.7)
Fair value movement on cash flow hedges taken to equity	0.5	0.9	-	-	-	-	-	-	-	1.4
Loan advances	-	-	-	35.5	-	50.7	-	-	0.2	86.4
Loan repayments	-	-	-	-	(6.4)	(0.3)	-	-	(188.2)	(194.9)
Disposals	-	-	-	-	-	-	-	-	(17.9)	(17.9)
At 30 September 2008	55.0	46.5	152.7	330.2	245.8	314.8	82.2	7.2	86.2	1,320.6

Notes:

- Other principally includes the The Martineau Galleries Limited Partnership, the Ebbsfleet Limited Partnership, Millshaw Property Co. Limited, The Empress State Limited Partnership and Countryside Land Securities (Springhead) Limited.
- The difference between the book value and the market value is the amount included in prepayments in respect of lease incentives, head leases capitalised and properties treated as finance leases.

11. Investments in joint ventures continued										
Period ended 30 September 2007 and at 30 September 2007										
Summary financial information of Group's share of joint ventures	The Scottish Retail Property Limited Partnership £m	Metro Shopping Fund Limited Partnership £m	Buchanan Partnership £m	St. David's Limited Partnership £m	The Bull Ring Limited Partnership £m	Bristol Alliance Limited Partnership £m	The Harvest Limited Partnership £m	The Oriana Limited Partnership £m	Other ⁽¹⁾ £m	Total £m
Income statement										
Rental income	7.6	6.8	4.8	2.5	7.4	1.7	-	-	1.6	32.4
Service charge income	1.6	1.5	0.3	0.4	1.3	-	-	-	0.3	5.4
Property services income	-	-	-	-	-	-	-	-	0.1	0.1
Trading property sale proceeds	-	-	-	-	-	-	-	-	35.0	35.0
Revenue	9.2	8.3	5.1	2.9	8.7	1.7	-	-	37.0	72.9
Rents payable	(0.1)	-	-	-	-	-	-	-	-	(0.1)
Other direct property expenditure	(3.0)	(1.8)	(0.7)	(0.6)	(2.2)	(0.1)	-	-	(0.7)	(9.1)
Indirect property expenditure	(0.6)	(0.5)	-	-	-	-	-	-	-	(1.1)
Cost of sales of trading properties	-	-	-	-	-	-	-	-	(26.8)	(26.8)
	5.5	6.0	4.4	2.3	6.5	1.6	-	-	9.5	35.8
(Loss) / profit on disposal of non-current properties	(7.7)	-	-	-	-	-	-	-	0.4	(7.3)
Net (deficit) / surplus on revaluation of investment properties	(10.9)	(5.1)	2.0	-	(5.1)	(2.9)	-	-	(1.5)	(23.5)
Operating (loss) / profit	(13.1)	0.9	6.4	2.3	1.4	(1.3)	-	-	8.4	5.0
Net finance (costs) / income	(4.2)	(6.4)	(1.7)	0.3	-	-	-	-	0.2	(11.8)
(Loss) / profit before tax	(17.3)	(5.5)	4.7	2.6	1.4	(1.3)	-	-	8.6	(6.8)
Income tax expense	-	(0.6)	-	-	-	-	-	-	(2.4)	(3.0)
Share of (losses) / profits of joint ventures after tax										
	(17.3)	(6.1)	4.7	2.6	1.4	(1.3)	-	-	6.2	(9.8)
Balance sheet										
Investment properties ⁽²⁾	143.8	298.3	187.8	239.7	314.9	236.9	-	-	63.1	1,484.5
Current assets	15.6	9.0	7.0	127.1	10.6	15.1	-	-	53.6	238.0
	159.4	307.3	194.8	366.8	325.5	252.0	-	-	116.7	1,722.5
Current liabilities	(3.5)	(7.2)	(4.6)	(20.9)	(9.6)	(15.6)	-	-	(11.9)	(73.3)
Non-current liabilities	(61.8)	(210.1)	-	(0.2)	-	(2.4)	-	-	(13.5)	(288.0)
	(65.3)	(217.3)	(4.6)	(21.1)	(9.6)	(18.0)	-	-	(25.4)	(361.3)
Net assets	94.1	90.0	190.2	345.7	315.9	234.0	-	-	91.3	1,361.2
Capital commitments	0.2	1.0	1.4	50.5	53.0	7.4	-	-	0.9	114.4
Market value of investment properties ⁽²⁾	142.6	296.5	192.0	239.8	320.0	239.8	-	-	62.4	1,493.1
Net (debt) / cash	(48.2)	(203.5)	0.7	9.7	0.7	(0.6)	-	-	8.9	(232.3)
Net investment										
At 1 April 2007	145.8	95.3	188.6	308.1	321.1	198.6	-	-	81.3	1,338.8
Cash contributed	-	1.5	0.3	-	-	-	-	-	9.5	11.3
Share of post-tax results	(17.3)	(6.1)	4.7	2.6	1.4	(1.3)	-	-	6.2	(9.8)
Distributions	(37.5)	-	(3.4)	-	-	-	-	-	(5.7)	(46.6)
Fair value movement on cash flow hedges taken to equity	3.1	(0.7)	-	-	-	-	-	-	-	2.4
Loan advances	-	-	-	35.0	-	38.4	-	-	-	73.4
Loan repayments	-	-	-	-	(6.6)	(1.7)	-	-	-	(8.3)
At 30 September 2007	94.1	90.0	190.2	345.7	315.9	234.0	-	-	91.3	1,361.2

Notes:

- Other principally includes The Martineau Galleries Limited Partnership, the Ebbsfleet Limited Partnership, the A2 Limited Partnership, Parc Tawe and Investors in the Community (IIC).
- The difference between the book value and the market value is the amount included in prepayments in respect of lease incentives, head leases capitalised and properties treated as finance leases.

11. Investments in joint ventures continued										
Year ended 31 March 2008 and at 31 March 2008										
Summary financial information of Group's share of joint ventures	The Scottish Retail Property Limited Partnership £m	Metro Shopping Fund Limited Partnership £m	Buchanan Partnership £m	St. David's Limited Partnership £m	The Bull Ring Limited Partnership £m	Bristol Alliance Limited Partnership £m	The Harvest Limited Partnership £m	The Oriana Limited Partnership £m	Other ⁽¹⁾ £m	Total £m
Income statement										
Rental income	12.5	14.0	9.9	5.4	14.7	3.4	1.4	1.4	3.4	66.1
Service charge income	2.5	3.0	0.7	0.7	2.7	-	-	-	0.7	10.3
Property services income	-	-	-	-	-	-	-	-	0.1	0.1
Trading property sale proceeds	-	-	-	-	-	-	-	-	35.1	35.1
Revenue	15.0	17.0	10.6	6.1	17.4	3.4	1.4	1.4	39.3	111.6
Rents payable	(0.2)	-	-	-	-	-	-	-	(0.1)	(0.3)
Other direct property expenditure	(4.6)	(3.8)	(1.9)	(1.2)	(4.1)	(0.2)	-	-	(1.4)	(17.2)
Indirect property expenditure	(0.6)	(1.1)	(0.1)	(0.3)	(0.2)	(0.2)	(0.1)	(0.2)	(0.1)	(2.9)
Cost of sales of trading properties	-	-	-	-	-	-	-	-	(26.8)	(26.8)
	9.6	12.1	8.6	4.6	13.1	3.0	1.3	1.2	10.9	64.4
(Loss) / profit on disposal of non-current properties	(7.6)	0.6	-	-	-	-	-	-	(0.1)	(7.1)
Net (deficit) / surplus on revaluation of investment properties	(28.4)	(12.1)	(11.5)	(21.8)	(31.5)	6.3	(9.7)	(15.6)	(9.9)	(134.2)
Operating (loss) / profit	(26.4)	0.6	(2.9)	(17.2)	(18.4)	9.3	(8.4)	(14.4)	0.9	(76.9)
Net interest (expense) / income	(5.6)	(12.5)	(3.5)	0.4	0.1	0.4	-	-	(0.3)	(21.0)
(Loss) / profit before tax	(32.0)	(11.9)	(6.4)	(16.8)	(18.3)	9.7	(8.4)	(14.4)	0.6	(97.9)
Income tax expense	(0.1)	(0.6)	-	-	-	-	-	-	(2.4)	(3.1)
Share of (losses) / profits of joint ventures after tax	(32.1)	(12.5)	(6.4)	(16.8)	(18.3)	9.7	(8.4)	(14.4)	(1.8)	(101.0)
Balance sheet										
Investment properties ⁽²⁾	126.7	246.4	176.0	244.1	288.4	291.5	62.7	87.3	55.9	1,579.0
Current assets	11.2	38.3	6.1	118.7	9.1	12.4	2.3	1.5	73.7	273.3
	137.9	284.7	182.1	362.8	297.5	303.9	65.0	88.8	129.6	1,852.3
Current liabilities	(2.9)	(4.9)	(2.5)	(15.7)	(8.2)	(17.2)	(0.5)	(79.7)	(10.7)	(142.3)
Non-current liabilities	(62.0)	(209.9)	-	(0.4)	-	(2.3)	-	(0.1)	(24.7)	(299.4)
	(64.9)	(214.8)	(2.5)	(16.1)	(8.2)	(19.5)	(0.5)	(79.8)	(35.4)	(441.7)
Net assets	73.0	69.9	179.6	346.7	289.3	284.4	64.5	9.0	94.2	1,410.6
Capital commitments	2.9	0.6	2.9	127.4	-	27.7	-	-	8.3	169.8
Market value of investment properties ⁽²⁾	125.9	246.6	180.0	244.0	293.3	294.5	62.8	87.3	55.5	1,589.9
Net (debt) / cash	(53.1)	(205.6)	0.7	5.3	3.1	(0.3)	1.5	1.4	(6.5)	(253.5)
Net investment										
At 1 April 2007	145.8	95.3	188.6	308.1	321.1	198.6	-	-	81.3	1,338.8
Properties contributed	-	-	-	-	-	-	39.7	205.8	-	245.5
Cash contributed	-	6.6	3.4	-	-	-	33.2	-	26.3	69.5
Share of post-tax results	(32.1)	(12.5)	(6.4)	(16.8)	(18.3)	9.7	(8.4)	(14.4)	(1.8)	(101.0)
Distributions	(42.5)	(14.2)	(6.0)	-	-	-	-	(0.8)	(11.6)	(75.1)
Fair value movement on cash flow hedges taken to equity	1.8	(5.3)	-	-	-	-	-	-	-	(3.5)
Loan advances	-	-	-	55.4	-	79.5	-	-	-	134.9
Loan repayments	-	-	-	-	(13.5)	(3.4)	-	(181.6)	-	(198.5)
At 31 March 2008	73.0	69.9	179.6	346.7	289.3	284.4	64.5	9.0	94.2	1,410.6

Notes:

- Other principally includes The Martineau Galleries Limited Partnership, the Ebbsfleet Limited Partnership, the A2 Limited Partnership, Parc Tawe and Investors in the Community (IIC).
- The difference between the book value and the market value is the amount included in prepayments in respect of lease incentives, head leases capitalised and properties treated as finance leases.

12. Non-current assets classified as held for sale	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Non-current assets classified as held for sale	283.5	2,568.9	664.1
Liabilities directly associated with non-current assets classified as held for sale	(117.6)	(1,655.9)	(427.7)
	165.9	913.0	236.4

Non current assets and liabilities held for sale at 30 September 2008 represents a number of PPP investments which will be sold to Trillium Investment Partners LP or to third parties. The net carrying value of the disposal group is based on its fair value less costs to sell at the date of acquisition, as adjusted to reflect cash advanced and cash returned from the disposal group. The disposal group represents a discontinued operation. The Group has not recognised any profits or losses in respect of this discontinued operation (other than the £17.3m profit on disposal of 13 projects sold to Trillium Investment Partners LP and a £2.6m impairment charge) in the six months ended 30 September 2008. The disposal group is held in the Trillium segment.

Set out below is an analysis of the movements within the disposal group for the six months ended 30 September 2008:

	£m
Book value at 1 April 2008	236.4
Projects transferred from Investments in Public Private Partnership contracts	17.2
Projects sold to Trillium Investment Partners LP	(83.7)
Impairments	(2.6)
Cash received from the disposal group	(1.4)
	165.9

13. Borrowings									
At 30 September 2008									
	Nominal value ⁽⁷⁾ £m	Secured £m	Unsecured £m	Book value Total £m	Fixed / floating ⁽⁹⁾	Effective interest rate %	Weighted average time for which interest rate is fixed Years	Fair value ⁽¹⁰⁾ £m	Excess / (deficit) of fair value over book value £m
Sterling									
4.625 per cent Notes due 2013 ⁽¹⁾	300.0	299.8	-	299.8	Fixed	4.7	2.3	288.1	(11.7)
5.292 per cent Notes due 2015 ⁽¹⁾	391.5	391.0	-	391.0	Fixed	5.3	5.2	365.1	(25.9)
4.875 per cent Notes due 2019 ⁽¹⁾	400.0	396.3	-	396.3	Fixed	5.0	9.1	347.4	(48.9)
5.425 per cent Notes due 2022 ⁽¹⁾	255.3	254.6	-	254.6	Fixed	5.5	11.5	223.3	(31.3)
4.875 per cent Notes due 2025 ⁽¹⁾	300.0	297.1	-	297.1	Fixed	4.9	15.0	237.2	(59.9)
5.391 per cent Notes due 2026 ⁽¹⁾	210.7	209.8	-	209.8	Fixed	5.4	15.4	173.0	(36.8)
5.391 per cent Notes due 2027 ⁽¹⁾	611.2	608.5	-	608.5	Fixed	5.4	16.5	496.7	(111.8)
5.376 per cent Notes due 2029 ⁽¹⁾	317.9	316.3	-	316.3	Fixed	5.4	19.0	252.7	(63.6)
5.396 per cent Notes due 2032 ⁽¹⁾	322.9	321.1	-	321.1	Fixed	5.4	21.8	258.4	(62.7)
5.125 per cent Notes due 2036 ⁽¹⁾	500.0	498.5	-	498.5	Fixed	5.1	25.4	384.5	(114.0)
DWP term loan ⁽³⁾	101.3	101.3	-	101.3	Floating	6.6	0.2	101.3	-
Syndicated bank debt ⁽⁴⁾	1,243.4	1,239.6	-	1,239.6	Floating	6.1	-	1,243.4	3.8
Bilateral facilities ⁽⁵⁾	625.0	625.0	-	625.0	Floating	6.1	0.1	625.0	-
Acquisition loan notes ⁽⁶⁾	106.4	-	106.4	106.4	Floating	5.1	-	106.4	-
	5,685.6	5,558.9	106.4	5,665.3				5,102.5	(562.8)
Amounts payable under finance leases	77.2	77.2	-	77.2	Fixed	5.5	93.4	88.9	11.7
	5,762.8	5,636.1	106.4	5,742.5				5,191.4	(551.1)
Fair value of derivative instruments									
Interest rate swaps									
Qualifying hedges	274.3	2.2	-	2.2		5.2	5.6	2.2	-
Non-qualifying hedges	2,130.0	5.2	-	5.2		5.2	1.6	5.2	-
Foreign currency swaps – qualifying hedges	25.6	0.5	-	0.5		-	1.5	0.5	-
	2,429.9	7.9	-	7.9				7.9	-
Bond exchange de-recognition ⁽⁸⁾		(505.6)	-	(505.6)				-	505.6
Total borrowings		5,138.4	106.4	5,244.8				5,199.3	(45.5)
Less: borrowings falling due within one year				(106.4)					
Less: derivative financial instruments - liabilities				(7.9)					
Plus: bond exchange de-recognition falling due within one year				12.2					
Less: amounts payable under finance leases falling due within one year				(2.3)					
Non-current borrowings				5,140.4					

13. Borrowings continued

	At 30 September 2007									
	Nominal value ⁽⁷⁾ £m	Secured £m	Unsecured £m	Book value Total £m	Fixed / floating ⁽⁹⁾	Effective interest rate %	Weighted average time for which interest rate is fixed Years	Fair value ⁽¹⁰⁾ £m	Excess / (deficit) of fair value over book value £m	
Sterling										
4.625 per cent Notes due 2013 ⁽¹⁾	300.0	299.7	-	299.7	Fixed	4.6	3.3	287.1	(12.6)	
5.292 per cent Notes due 2015 ⁽¹⁾	391.5	390.8	-	390.8	Fixed	5.3	6.2	378.8	(12.0)	
4.875 per cent Notes due 2019 ⁽¹⁾	400.0	395.9	-	395.9	Fixed	4.9	10.1	366.4	(29.5)	
5.425 per cent Notes due 2022 ⁽¹⁾	255.3	254.5	-	254.5	Fixed	5.4	12.5	245.6	(8.9)	
4.875 per cent Notes due 2025 ⁽¹⁾	300.0	297.0	-	297.0	Fixed	4.9	16.0	271.4	(25.6)	
5.391 per cent Notes due 2026 ⁽¹⁾	210.7	209.8	-	209.8	Fixed	5.4	16.4	200.9	(8.9)	
5.391 per cent Notes due 2027 ⁽¹⁾	611.3	608.4	-	608.4	Fixed	5.4	17.5	582.2	(26.2)	
5.376 per cent Notes due 2029 ⁽¹⁾	317.9	316.3	-	316.3	Fixed	5.4	20.0	303.5	(12.8)	
5.396 per cent Notes due 2032 ⁽¹⁾	322.9	321.0	-	321.0	Fixed	5.4	22.8	307.2	(13.8)	
5.125 per cent Notes due 2036 ⁽¹⁾	500.0	498.5	-	498.5	Fixed	5.1	26.4	464.3	(34.2)	
Bank facility due 2010	15.5	15.5	-	15.5	Floating	6.5	0.1	15.5	-	
Euro Commercial Paper ⁽²⁾	29.7	-	29.7	29.7	Floating	6.1	0.5	29.7	-	
DWP term loan ⁽³⁾	134.1	134.1	-	134.1	Floating	6.1	0.3	134.1	-	
Syndicated bank debt ⁽⁴⁾	1,380.0	1,380.0	-	1,380.0	Floating	6.2	0.1	1,380.0	-	
Bilateral facility ⁽⁵⁾	855.6	855.6	-	855.6	Floating	6.3	-	855.6	-	
Acquisition loan notes ⁽⁶⁾	112.7	-	112.7	112.7	Floating	4.6	-	112.7	-	
Bank overdraft	55.3	-	55.3	55.3	Floating	-	-	55.3	-	
Money market borrowings	89.2	89.2	-	89.2	Floating	6.2	0.2	89.2	-	
	6,281.7	6,066.3	197.7	6,264.0				6,079.5	(184.5)	
Euro										
Syndicated bank debt	27.4	27.4	-	27.4	Floating	4.4	0.3	27.4	-	
Bilateral facility	27.9	27.9	-	27.9	Floating	4.5	-	27.9	-	
Euro Commercial Paper ⁽²⁾	29.3	-	29.3	29.3	Floating	6.6	0.1	29.3	-	
	84.6	55.3	29.3	84.6				84.6	-	
US Dollars										
Euro Commercial Paper ⁽²⁾	5.4	-	5.4	5.4	Floating	6.0	-	5.4	-	
Amounts payable under finance leases	70.1	70.1	-	70.1	Fixed	5.5	87.8	79.2	9.1	
	6,441.8	6,191.7	232.4	6,424.1				6,248.7	(175.4)	
Fair value of derivative instruments										
Interest rate swaps										
Qualifying hedges	168.2	(2.6)	-	(2.6)		5.1	5.9	(2.6)	-	
Non-qualifying hedges	1,565.0	(7.8)	-	(7.8)		5.1	3.1	(7.8)	-	
Foreign currency swaps – qualifying hedges	34.7	(1.1)	-	(1.1)		6.5	0.1	(1.1)	-	
	1,767.9	(11.5)	-	(11.5)				(11.5)	-	
Bond exchange de-recognition ⁽⁸⁾		(516.8)	-	(516.8)				-	516.8	
Total borrowings		5,663.4	232.4	5,895.8				6,237.2	341.4	
Less: bank overdraft				(55.3)						
Less: borrowings falling due within one year				(1,212.5)						
Plus: derivative financial instruments - assets				11.5						
Plus: bond exchange de-recognition falling due within one year				11.2						
Less: amounts payable under finance leases falling due within one year				(2.1)						
Non-current borrowings				4,648.6						

13. Borrowings continued

	Nominal value ⁽⁷⁾ £m	Secured £m	Unsecured £m	Book value		Fixed / floating ⁽⁹⁾	Effective interest rate %	Weighted average time for which interest rate is fixed Years	At 31 March 2008	
				Total £m	Fair value ⁽¹⁰⁾ £m				Excess / (deficit) of fair value over book value £m	
Sterling										
4.625 per cent Notes due 2013 ⁽¹⁾	300.0	299.7	-	299.7	Fixed	4.7	2.8	292.9	(6.8)	
5.292 per cent Notes due 2015 ⁽¹⁾	391.5	390.9	-	390.9	Fixed	5.3	5.7	384.0	(6.9)	
4.875 per cent Notes due 2019 ⁽¹⁾	400.0	396.1	-	396.1	Fixed	5.0	9.6	369.9	(26.2)	
5.425 per cent Notes due 2022 ⁽¹⁾	255.3	254.5	-	254.5	Fixed	5.5	12.0	240.0	(14.5)	
4.875 per cent Notes due 2025 ⁽¹⁾	300.0	297.0	-	297.0	Fixed	4.9	15.5	257.2	(39.8)	
5.391 per cent Notes due 2026 ⁽¹⁾	210.7	209.8	-	209.8	Fixed	5.4	15.9	190.5	(19.3)	
5.391 per cent Notes due 2027 ⁽¹⁾	611.2	608.5	-	608.5	Fixed	5.4	17.0	547.6	(60.9)	
5.376 per cent Notes due 2029 ⁽¹⁾	317.9	316.3	-	316.3	Fixed	5.4	19.5	283.4	(32.9)	
5.396 per cent Notes due 2032 ⁽¹⁾	322.9	321.0	-	321.0	Fixed	5.4	22.3	285.2	(35.8)	
5.125 per cent Notes due 2036 ⁽¹⁾	500.0	498.5	-	498.5	Fixed	5.1	25.9	426.6	(71.9)	
Bank facility due 2010	15.5	15.5	-	15.5	Floating	6.4	0.1	15.5	-	
Euro Commercial Paper ⁽²⁾	19.8	-	19.8	19.8	Floating	5.8	0.1	19.8	-	
DWP term loan ⁽³⁾	124.4	124.4	-	124.4	Floating	6.4	0.3	124.4	-	
Syndicated bank debt ⁽⁴⁾	865.0	865.0	-	865.0	Floating	5.8	-	865.0	-	
Bilateral facility ⁽⁵⁾	1,065.4	1,065.4	-	1,065.4	Floating	5.9	-	1,065.4	-	
Acquisition loan notes ⁽⁶⁾	106.4	-	106.4	106.4	Floating	5.4	0.5	106.4	-	
Bank overdraft	1.4	-	1.4	1.4	Floating	-	-	1.4	-	
Money market borrowings	45.0	-	45.0	45.0	Floating	5.7	0.1	45.0	-	
	5,852.4	5,662.6	172.6	5,835.2				5,520.2	(315.0)	
Euro										
Euro Commercial Paper ⁽²⁾	35.5	-	35.5	35.5	Floating	4.7	0.1	35.5	-	
Amounts payable under finance leases	67.3	67.3	-	67.3	Fixed	5.5	88.5	79.5	12.2	
	5,955.2	5,729.9	208.1	5,938.0				5,635.2	(302.8)	
Fair value of derivative instruments										
Interest rate swaps										
Qualifying hedges	145.7	0.8	-	0.8		5.1	6.3	0.8	-	
Non-qualifying hedges	1,880.0	9.9	-	9.9		5.2	1.7	9.9	-	
Foreign currency swaps – qualifying hedges	35.5	(4.3)	-	(4.3)		4.7	0.1	(4.3)	-	
	2,061.2	6.4	-	6.4				6.4	-	
Bond exchange de-recognition ⁽⁸⁾		(511.5)	-	(511.5)				-	511.5	
Total borrowings		5,224.8	208.1	5,432.9				5,641.6	208.7	
Less: bank overdraft				(1.4)						
Less: borrowings falling due within one year				(802.1)						
Less: derivative financial instruments - liabilities				(10.7)						
Plus: derivative financial instruments - assets				4.3						
Plus: bond exchange de-recognition falling due within one year				11.7						
Less: amounts payable under finance leases falling due within one year				(2.2)						
Non-current borrowings				4,632.5						

13. Borrowings continued

1. The Notes have an anticipated maturity date of two years earlier than the legal maturity date as stated. During the two years prior to the legal maturity date, the Notes incur interest at three month LIBOR plus a margin. The maturity profiles have been calculated using the anticipated maturity date. The Notes and the committed bank facilities are secured on a fixed and floating pool of assets (the Security Group). This grants the Group's debt investors security over a pool of investment properties valued at **£9,993.3m** at 30 September 2008 (30 September 2007: £12.4bn; 31 March 2008: £11.0bn). The amount borrowed against these assets was **£5,334.5m** (30 September 2007: £5,964.2m; 31 March 2008: £5,595.2m). The secured debt structure has a tiered covenant regime which gives the Group substantial operational flexibility when the loan-to-value and interest rate cover in the Security Group are less than 65% and more than 1.45 times respectively. If these limits are exceeded, operational restrictions increase significantly and could act as an incentive to reduce gearing. At 30 September 2008 the loan-to-value ratio was 53.4%.
2. Euro Commercial Paper is unsecured. However, the amount drawn is required to be supported by an unutilised committed bank facility, which is a secured facility.
3. The DWP term loan was refinanced in December 2006 and expires in December 2017. It is secured on the freehold and long leasehold properties acquired from the Department of Work and Pensions. The carrying amount of the properties concerned was **£339.9m** at 30 September 2008 (30 September 2007: £363.4m; 31 March 2008: £364.0m).
4. At 30 September 2008, the Group had two syndicated bank facilities, being £1.5bn and £352.0m. In August 2006, the Group refinanced its £1.5bn syndicated bank facility with the effect of extending its legal final maturity to August 2013. This facility is committed and secured on the assets of the Security Group. The maturity profile has been calculated to August 2012, because of onerous operational restrictions in the twelve months prior to the legal final maturity. In May 2008, the Group entered into a five year £352.0m syndicated bank facility for the development of Leeds Trinity Quarter. This facility is committed and secured on this asset. The maturity profile is calculated on the basis that it is the Group's intention to retain the existing loan to maturity of the facility.
5. During the six months ended 30 September 2008, the Group has refinanced and extended three of the existing committed bilateral facilities and established two new committed bilateral facilities all of which are secured on the assets of the Security Group. The four drawn facilities have initial maturities in July and August 2010, with a term out option to extend for a further year. The maturity profiles have been calculated assuming the term out options are not utilised, because of onerous operational restrictions in the twelve months prior to the legal final maturity date. The fifth facility has an initial maturity of September 2009, with an option to extend for two further years. However, due to the onerous operational restrictions that arise in the last twelve months, the maturity profile has been calculated on the basis that the facility would be extended for a single year.
6. The acquisition loan notes were issued by Retail Property Holdings Trust Limited, a subsidiary of the Group, as partial consideration for the purchase of Tops Estates PLC and the LxB portfolio. The notes are unsecured, however, they have the benefit of a commercial bank guarantee. Interest is calculated with reference to six month LIBOR. Although, the notes are due to be redeemed in 2015, in September 2008, the loan note holders gave notice that they wished to redeem most of the loan notes. £105.1m have been redeemed post 30 September 2008. The balance of £1.3m will be repaid by 31 December 2008, as the Group has given notice to repay the remaining amount since the balance sheet date. Accordingly, the notes have been classified as current liabilities.
7. For foreign currency amounts, the nominal/notional value is the Sterling equivalent of the principal amount at the period end date.
8. On 3 November 2004, a debt refinancing was completed resulting in the Group exchanging all of its outstanding bond and debenture debt for new Notes. The new Notes do not meet the IAS 39 requirement to be substantially different from the debt that it replaced. Consequently the book value of the new Notes is reduced to the book value of the original debt ('the bond exchange de-recognition adjustment'). The adjustment will be amortised to zero over the life of the new Notes.
9. Before the effect of derivative instruments.
10. The Group's Notes are listed on the Irish Stock Exchange and their fair values are based on their respective market prices. The fair value of interest rate swaps is based on the market price of comparable instruments at the balance sheet date. The fair values of short-term deposits, loans and overdrafts are assumed to approximate to their book values, as are the values of longer-term, floating rate bank loans.

Financial risk management*Financial risk factors*

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The Group's operations and debt financing expose it to a variety of financial risks. The main risks arising include credit risk, liquidity risk and market risk, the latter in respect of both interest rates and foreign exchange.

The exposure to each risk, how it arises and policies for managing each risk for the period is summarised below:

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, finance lease receivables and short-term investments. The Group's credit risk is primarily attributable to its trade and finance lease receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables concerned. The balance is low relative to the scale of the balance sheet and therefore the credit risk of trade receivables is considered to be low.

Finance lease receivables relate to amounts receivable from tenants in respect of tenant finance leases. This is not considered a significant credit risk as the tenants are generally of good financial standing.

The credit risk on liquid funds and derivative financial instruments is limited due to the Group's policy of monitoring counterparty exposures. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

13. Borrowings continued*Liquidity risk*

The Group actively maintains a mixture of long-term and short-term committed facilities that are designed to ensure that the Group has sufficient available funds for operations and committed investments. The Group's undrawn committed borrowing facilities are monitored against projected cash flows. The expiry periods of the Group's undrawn committed borrowing facilities in nominal terms are:

	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
More than one year but not more than two years	265.0	-	25.0
More than two years but not more than five years	608.6	2.1	2.0
More than five years	-	743.0	584.0
	873.6	745.1	611.0

The undrawn committed borrowing facilities are net of amounts drawn under both the syndicated bank facilities and the Euro Commercial Paper programme.

Market risk

The Group is exposed to market risk through interest rates, currency fluctuations and availability of liquidity.

Interest rates

The Group uses interest rate swaps and similar instruments (forward rate agreements, forward starting swaps, and gilt locks) to manage its interest rate exposure. With property and interest rate cycles typically of four to seven years duration, the Group's target is to have a minimum of 80% of anticipated debt at fixed rates of interest and a maximum of 20% floating over this timeframe. Due to a combination of factors, principally the high level of certainty required under IAS 39 'Financial Instruments: Recognition and Measurement', hedging instruments used in this context do not qualify for hedge accounting. Specific hedges are also used in geared joint ventures to fix the interest exposure on limited recourse debt.

At 30 September 2008 the Group (including joint ventures) had £2.8bn of hedges in place, and its debt was 81% fixed. Consequently, based on 30 September 2008 debt levels, a 1% change in LIBOR would decrease or increase the Group's annual profit before tax by £11.4m. The sensitivity has been calculated by applying the interest rate change to the variable rate borrowings, net of interest rate swaps and cash, at the period end.

Foreign exchange

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency.

The Group does not normally enter into any foreign currency transactions as it is UK based. However, the Group is able to raise debt in currencies other than Sterling, and where this occurs it is the Group's policy to hedge 100% of the exposure by entering into currency swaps to fix the sterling value of debt. Therefore the Group's foreign exchange risk is low.

Financial maturity analysis

The interest rate and currency profiles of the Group's undiscounted borrowings, after taking into account the effect of the foreign currency swaps and interest rate swaps, are set out below:

	30 September 2008			30 September 2007			31 March 2008		
	Fixed rate £m	Floating rate £m	Total £m	Fixed rate £m	Floating rate £m	Total £m	Fixed rate £m	Floating rate £m	Total £m
Sterling	4,561.0	1,201.8	5,762.8	5,395.2	973.6	6,368.8	4,402.5	1,552.7	5,955.2
Euro	-	-	-	-	55.3	55.3	-	-	-
	4,561.0	1,201.8	5,762.8	5,395.2	1,028.9	6,424.1	4,402.5	1,552.7	5,955.2

The maturity profiles of the Group's borrowings are as follows:

	30 September 2008			30 September 2007			31 March 2008		
	Fixed rate £m	Floating rate £m	Total £m	Fixed rate £m	Floating rate £m	Total £m	Fixed rate £m	Floating rate £m	Total £m
One year or less, or on demand	108.7	-	108.7	243.0	1,028.9	1,271.9	172.2	633.5	805.7
More than one year but no more than two years	116.0	511.3	627.3	2.2	-	2.2	464.4	38.0	502.4
More than two years but no more than five years	882.3	667.4	1,549.7	22.0	-	22.0	321.9	-	321.9
More than five years	3,454.0	23.1	3,477.1	5,128.0	-	5,128.0	3,444.0	881.2	4,325.2
	4,561.0	1,201.8	5,762.8	5,395.2	1,028.9	6,424.1	4,402.5	1,552.7	5,955.2

13. Borrowings continued

The maturity profiles of the Group's derivative instruments are as follows:

	30 September 2008			30 September 2007			31 March 2008		
	Interest rate swaps £m	Foreign currency £m	Total £m	Interest rate swaps £m	Foreign currency £m	Total £m	Interest rate swaps £m	Foreign currency £m	Total £m
One year or less, or on demand	156.1	-	156.1	299.4	34.7	334.1	178.9	35.5	214.4
More than one year but no more than two years	144.0	25.6	169.6	171.6	-	171.6	46.7	-	46.7
More than two years but no more than five years	2,026.0	-	2,026.0	1,183.5	-	1,183.5	1,721.9	-	1,721.9
More than five years	78.2	-	78.2	78.7	-	78.7	78.2	-	78.2
	2,404.3	25.6	2,429.9	1,733.2	34.7	1,767.9	2,025.7	35.5	2,061.2

14. Net pension benefit (asset) / obligation

	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Analysis of the movement in the balance sheet asset			
At the beginning of the period	(11.0)	5.6	5.6
Charge to operating profit	0.7	1.0	2.1
Expected return on plan assets	(4.5)	(4.3)	(9.0)
Interest on schemes' liabilities	4.2	3.9	8.1
Employer contributions	(3.0)	(1.1)	(2.0)
Actuarial losses / (gains)	10.2	1.1	(15.8)
At the end of the period	(3.4)	6.2	(11.0)

15. Deferred tax

	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Deferred tax is provided as follows:			
Excess of capital allowances over depreciation – operating properties	0.2	4.7	0.7
Capitalised interest – operating properties	0.9	0.9	0.9
Other temporary differences	-	(1.3)	(0.1)
Total deferred tax	1.1	4.3	1.5

16. Total shareholders' equity	Ordinary shares £m	Own shares £m	Share-based payments £m	Share premium £m	Capital redemption reserve £m	Retained earnings * £m	Total £m
At 1 April 2007	47.0	(14.5)	7.9	51.5	30.5	10,668.9	10,791.3
Exercise of options	0.1	-	-	1.4	-	-	1.5
Fair value movement on cash flow hedges – Group	-	-	-	-	-	0.2	0.2
– joint ventures	-	-	-	-	-	2.4	2.4
Fair value of share-based payments	-	-	2.3	-	-	-	2.3
Own shares acquired	-	(9.4)	-	-	-	(71.7)	(81.1)
Cost of shares awarded to employees	-	1.9	(1.9)	-	-	-	-
Actuarial losses on defined benefit pension schemes	-	-	-	-	-	(1.1)	(1.1)
Dividend paid (note 6)	-	-	-	-	-	(159.5)	(159.5)
Profit for the financial period	-	-	-	-	-	367.0	367.0
At 30 September 2007	47.1	(22.0)	8.3	52.9	30.5	10,806.2	10,923.0
Exercise of options	-	-	-	3.7	-	-	3.7
Fair value movement on cash flow hedges – Group	-	-	-	-	-	(3.4)	(3.4)
– joint ventures	-	-	-	-	-	(5.9)	(5.9)
Fair value of share-based payments	-	-	2.7	-	-	-	2.7
Own shares acquired	-	-	-	-	-	(6.5)	(6.5)
Cost of shares awarded to employees	-	(0.3)	0.3	-	-	-	-
Actuarial gains on defined benefit pension schemes	-	-	-	-	-	16.0	16.0
Dividend paid (note 6)	-	-	-	-	-	(148.9)	(148.9)
Loss for the financial period	-	-	-	-	-	(1,197.8)	(1,197.8)
At 31 March 2008	47.1	(22.3)	11.3	56.6	30.5	9,459.7	9,582.9
Exercise of options	-	-	-	1.7	-	-	1.7
Fair value movement on cash flow hedges – Group	-	-	-	-	-	(1.9)	(1.9)
– joint ventures	-	-	-	-	-	1.4	1.4
Fair value of share-based payments	-	-	4.4	-	-	-	4.4
Cost of shares awarded to employees	-	4.3	(4.3)	-	-	-	-
Actuarial losses on defined benefit pension schemes	-	-	-	-	-	(10.2)	(10.2)
Dividend paid (note 6)	-	-	-	-	-	(148.8)	(148.8)
Loss for the financial period	-	-	-	-	-	(1,725.4)	(1,725.4)
At 30 September 2008	47.1	(18.0)	11.4	58.3	30.5	7,574.8	7,704.1

* Included within retained earnings are cumulative gains in respect of cashflow hedges (principally interest rate swaps) of £3.9m (30 September 2007: £13.7m; 31 March 2008: £4.4m).

Own shares represent the cost of shares purchased in Land Securities Group PLC by the Employee Share Ownership Plan (ESOP) which is operated by the Group in respect of its commitment to the Deferred Bonus Shares Scheme. The number of shares held by the ESOP at 30 September 2008 was **1,030,818** (30 September 2007: 1,320,086; 31 March 2008: 1,336,275).

In July 2007 and 2008 the shareholders at the Annual General Meeting authorised the acquisition of shares issued by the Company representing up to 10% of its share capital to be held as treasury shares. At 30 September 2008 the Group owned **5,896,000** (30 September 2007: 5,446,000; 31 March 2008: 5,896,000) shares with a market value of **£73.7m** (30 September 2007: £91.7m; 31 March 2008: £87.6m).

17. Cash flow from operating activities

Reconciliation of operating profit to net cash inflow from operating activities:

	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Cash generated from operations			
(Loss) / profit for the financial period	(1,740.1)	357.0	(878.3)
Income tax expense / (credit)	2.9	8.2	(10.5)
(Loss) / profit before tax	(1,737.2)	365.2	(888.8)
Share of losses of joint ventures (post-tax)	192.3	9.8	101.0
Share of losses of an associate undertaking (post-tax)	2.0	-	0.5
	(1,542.9)	375.0	(787.3)
Interest income	(22.5)	(8.5)	(29.4)
Interest expense	141.9	142.3	324.4
Operating (loss) / profit	(1,423.5)	508.8	(492.3)
Adjustments for:			
Depreciation	20.7	20.8	45.8
Profit on disposal of non-current properties	(1.5)	(79.0)	(75.4)
Net deficit / (surplus) on revaluation of investment properties	1,562.7	(145.5)	1,170.3
Goodwill impairment	147.6	-	-
Share-based payment charge	4.4	2.3	5.0
Pension scheme charge	0.7	1.0	2.1
Changes in working capital:			
(Increase) / decrease in trading properties and long-term development contracts	(19.1)	(9.6)	0.2
Increase in receivables	(19.8)	(52.6)	(26.3)
(Decrease) / increase in payables and provisions	(24.4)	36.4	67.1
Net cash generated from operations	247.8	282.6	696.5

18. Related party transactions**Subsidiaries**

In accordance with IAS 27 'Consolidated and Separate Financial Statements', transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Joint ventures

As disclosed in note 11, the Group has investments in a number of joint ventures. Details of transactions and balances between the Group and its joint ventures are disclosed as follows:

18. Related party transactions continued	Period ended 30 September 2008 and at 30 September 2008				Period ended 30 September 2007 and at 30 September 2007			
	Revenues	Net	Amounts	Amounts	Revenues	Net	Amounts	Amounts
	£m	investments into joint ventures £m	owed by joint ventures £m	owed to joint ventures £m	£m	investments into joint ventures £m	owed by joint ventures £m	owed to joint ventures £m
The Scottish Retail Property Limited Partnership	0.3	-	0.4	(5.0)	0.4	(37.5)	-	(3.5)
Metro Shopping Fund Limited Partnership	0.4	1.8	0.4	(0.1)	0.1	1.5	-	(2.6)
Buchanan Partnership	2.4	(1.3)	1.0	-	1.8	(3.1)	0.1	-
St David's Limited Partnership	3.4	35.5	7.7	(117.1)	2.4	35.0	-	(126.6)
The Martineau Galleries Limited Partnership	0.1	(5.9)	0.3	-	0.1	4.3	0.1	-
The Bull Ring Limited Partnership	-	(6.4)	-	-	-	(6.6)	-	-
Bristol Alliance Limited Partnership	6.1	50.4	10.5	-	3.9	36.7	-	(1.4)
The Martineau Limited Partnership	0.1	-	-	(0.1)	-	-	-	-
A2 Limited Partnership	-	(3.4)	-	-	-	(0.1)	-	-
Parc Tawe 1 Unit Trust	-	(17.9)	-	-	-	-	-	-
Hungate (York) Regeneration Limited	-	-	-	-	-	1.8	-	-
Countryside Land Securities (Springhead) Limited	-	3.2	-	-	-	3.4	-	-
Ebbsfleet Limited Partnership	-	-	0.2	-	-	-	0.2	-
The Harvest Limited Partnership	0.1	17.5	0.1	(2.0)	-	-	-	-
The Oriana Limited Partnership	0.1	(0.1)	11.4	(0.1)	-	-	-	-
Millshaw Property Co. Limited	-	-	-	(10.4)	-	-	-	-
Fen Farm Developments Limited	-	-	15.5	-	-	(5.6)	15.4	-
Investors in the Community	-	0.2	-	-	-	-	-	-
The Empress State Limited Partnership	-	27.3	1.6	-	-	-	-	-
HNJV Limited	-	-	1.0	-	-	-	-	-
	13.0	100.9	50.1	(134.8)	8.7	29.8	15.8	(134.1)

	Year ended 31 March 2008 and at 31 March 2008			
	Revenues	Net	Amounts	Amounts
	£m	investments into joint ventures £m	owed by joint ventures £m	owed to joint ventures £m
The Scottish Retail Property Limited Partnership	0.6	(42.5)	0.9	(3.9)
Metro Shopping Fund Limited Partnership	0.9	(7.6)	0.7	(2.0)
Buchanan Partnership	3.7	(2.6)	0.5	-
St David's Limited Partnership	5.4	55.4	4.3	(116.9)
The Martineau Galleries Limited Partnership	0.2	3.1	0.3	-
The Bull Ring Limited Partnership	-	(13.5)	-	-
Bristol Alliance Limited Partnership	9.0	76.1	11.7	-
The Martineau Limited Partnership	-	-	-	(0.1)
A2 Limited Partnership	-	(2.8)	-	-
Parc Tawe 1 Unit Trust	-	(1.4)	-	-
Hungate (York) Regeneration Limited	-	1.7	-	-
Countryside Land Securities (Springhead) Limited	-	5.5	-	-
Ebbsfleet Limited Partnership	-	-	0.2	-
The Harvest Limited Partnership	0.1	72.9	0.1	(0.2)
The Oriana Limited Partnership	-	23.4	78.7	(0.3)
Millshaw Property Co. Limited	-	14.2	-	(10.8)
Fen Farm Developments Limited	0.1	(5.6)	13.7	-
Investors in the Community	-	-	-	-
The Empress State Limited Partnership	-	-	-	-
HNJV Limited	-	-	-	-
	20.0	176.3	111.1	(134.2)

Further detail of the above transactions and balances can be seen in note 11.

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the applicable categories specified in IAS 24 'Related Party Disclosures':

	30 September 2008 £m	30 September 2007 £m	31 March 2008 £m
Short-term employee benefits	1.5	1.4	7.7
Post-employment benefits	0.4	0.3	0.6
Share-based payments	1.2	1.1	2.8
	3.1	2.8	11.1