
1 & 4 & 7 TRITON LIMITED

**(Incorporated on 11 December 2006)
First Report and Accounts**

**Period ended 31 March 2008
(16 month period from 11 December 2006 to 31 March 2008)**

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COMPANIES HOUSE

Company number. 6024918

1 & 4 & 7 TRITON LIMITED

REPORT OF THE DIRECTORS for the period ended 31 March 2008

The directors submit their Report and Accounts for the period ended 31 March 2008

Principal activities

The company is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies (the "Group") The company's principal activity is property investment in the United Kingdom (UK)

Business review

As shown in the company's profit and loss account on page 5, the company's turnover is £10,006,998 and profit before tax is £2,131,136

Dividends of £nil were paid in the period Dividends paid are shown in note 12

The balance sheet on page 7 of the financial statements shows that the company's financial position at the period end with net assets of £92,558,541

The value of investment properties held as at 31 March 2008 increased by 11.2% during the period then ended as shown in note 5 to the company's balance sheet

The performance of the Group, which includes the company, is discussed in the group's Annual Report which does not form part of this report

Details of significant events since the balance sheet date, if any, are contained in note 16 of the financial statements

The subsidiaries, if any, held by the company are listed in note 6 to the accounts Where the company has subsidiaries, consolidated financial statements are not presented as the company takes advantage of the exemption afforded by Section 228 of the Companies Act 1985

Risk management

This company is part of a large property investment group As such, the fundamental underlying risks for this company are those of the property group as discussed below

The group generates returns to shareholders through long-term investment decisions requiring the evaluation of opportunities arising in the following areas

- demand for space from occupiers against available supply,
- differential pricing for premium locations and buildings,
- alternative use for buildings,
- demand for returns from investors in property, compared to other asset classes,
- economic cycles, including their impact on tenant covenant quality, interest rates, inflation and property values,
- price differentials for capital to finance the business,
- legislative changes, including planning consents and taxation, and
- construction pricing and programming

These opportunities also represent risks, the most significant being change to the value of the property portfolio This risk has high visibility to senior executives and is considered and managed on a continuous basis Executives use their knowledge and experience to knowingly accept a measured degree of market risk

The group's preference for prime assets and their secure long term contracted rental income, primarily with upward only rent review clauses, present lower risks than many other property portfolios

The company is financed by a variable interest rate loan from its ultimate holding company and has no third party debt Interest can be charged at nil% where the company is not active or where to do so would put the company in financial difficulty

Environment

Across the Group, The British Land Company PLC recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Group's activities The company operates in accordance with Group policies The Group's full Corporate Responsibility Report is available online at www.britishland.com/crReport/2007

1 & 4 & 7 TRITON LIMITED

REPORT OF THE DIRECTORS **for the period ended 31 March 2008**

Directors

The directors who served during the period were, except as noted

S A M Hester (Appointed 11 December 2006)

R E Bowden (Appointed 11 December 2006 and Resigned 31 December 2007)

G C Roberts (Appointed 11 December 2006)

L M Bell (Appointed 11 December 2006)

P C Clarke (Appointed 11 December 2006)

S M Barzycki (Appointed 11 December 2006)

T A Roberts (Appointed 11 December 2006)

N M Webb (Appointed 11 December 2006)

A M Jones (Appointed 11 December 2006)

Waterlow Nominees Limited (Appointed 11 December 2006 and Resigned 11 December 2006)

Statement of directors' responsibilities

The directors are responsible for preparing the Report and the financial statements in accordance with applicable law and regulations

The directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law)

Company law requires the directors to prepare financial statements for each financial year which 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 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, 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 proper 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 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

Payments policy

In the absence of dispute, amounts due to trade and other suppliers are settled as expeditiously as possible within their terms of payment. Payments are administered on a consistent basis throughout the Group by The British Land Company PLC whose suppliers' days outstanding at 31 March 2008 were 24

1 & 4 & 7 TRITON LIMITED

**REPORT OF THE DIRECTORS
for the period ended 31 March 2008**

Disclosure of information to Auditors

Each of the persons who is a director at the date of approval of this report confirms that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

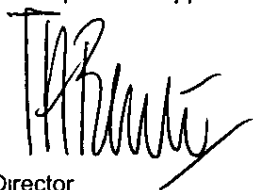
(b) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

Auditors

Deloitte & Touche LLP were appointed as auditors during the period and a resolution to reappoint them will be proposed at the Annual General Meeting

This report was approved by the Board on 29 September 2008

A handwritten signature in black ink, appearing to be 'T. B. M. J.', written over a horizontal line.

Director

1 & 4 & 7 TRITON LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
1 & 4 & 7 TRITON LIMITED
for the period ended 31 March 2008**

We have audited the financial statements of 1 & 4 & 7 Triton Limited for the period ended 31 March 2008 which comprise the profit and loss account, balance sheet, statement of total recognised gains and losses, note of historical cost profits and losses and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report 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 Directors' Report 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

30 September 2008

1 & 4 & 7 TRITON LIMITED

**PROFIT AND LOSS ACCOUNT
for the period ended 31 March 2008**

	Note	16 months ended 31 March 2008 £
Turnover		
Rental income		10,006,998
Fees and commissions		
Other trading income		
Total turnover		<u>10,006,998</u>
Cost of sales		(375,239)
Gross profit		<u>9,631,759</u>
Administrative expenses		(908,050)
Operating profit		<u>8,723,709</u>
Profit on disposal of properties		
Profit on disposal of investments		
Group transfer of investments		
Write down of investments in subsidiaries		
Dividends receivable		
Profit on ordinary activities before interest		<u>8,723,709</u>
Interest receivable		
Group		
Associated companies		
External - other		26,427
Interest payable		
Group		(6,619,000)
Associated companies		
External		
- bank overdrafts and loans		
- other loans		
Profit on ordinary activities before taxation	2	<u>2,131,136</u>
Taxation	4	(7,802)
Profit for the financial period		<u><u>2,123,334</u></u>

Turnover and results are derived from continuing operations within the United Kingdom. The company has only one significant class of business, that of property investment in the United Kingdom.

1 & 4 & 7 TRITON LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the period ended 31 March 2008**

	16 months ended 31 March 2008 £
Profit on ordinary activities after taxation	2,123,334
Unrealised surplus (deficit) on revaluation of investment properties	15,435,206
Unrealised surplus (deficit) on revaluation of investments	
Unrealised surplus (deficit) on revaluation of subsidiaries	
Derivative valuation and exchange translation movements on net investments	
Taxation on realisation of prior year revaluations	
Total recognised gains and losses relating to the financial period	<u>17,558,540</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the period ended 31 March 2008**

	16 months ended 31 March 2008 £
Profit on ordinary activities before taxation	2,131,136
Realisation of prior year revaluations	
Historical cost profit on ordinary activities before taxation	<u>2,131,136</u>
Historical cost profit for the period retained after taxation	<u>2,123,334</u>

1 & 4 & 7 TRITON LIMITED

**BALANCE SHEET
as at 31 March 2008**

	Note	2008 £	£
Fixed assets			
Investment properties	5	153,392,414	
Plant and Machinery			
Investments	6		
		<hr/>	153,392,414
Current assets			
Debtors	7	389,293	
Cash and deposits			
		<hr/>	389,293
Creditors due within one year	8	(61,223,166)	
		<hr/>	
Net current liabilities			(60,833,873)
Total assets less current liabilities			<hr/> 92,558,541
Creditors due after one year	9		
Provision for liabilities	10		
Net assets			<hr/> <hr/> 92,558,541
Capital and reserves			
Called up share capital	11	75,000,001	
Share premium	12		
Revaluation reserve	12	15,435,206	
Profit and loss account	12	2,123,334	
Shareholders' funds	12		<hr/> <hr/> 92,558,541

These financial statements were approved by the Board of Directors on 29 September 2008



Director

1 & 4 & 7 TRITON LIMITED

Notes to the accounts for the period ended 31 March 2008

1. Accounting policies

The principal accounting policies adopted by the directors are summarised below. They have been applied consistently throughout the current and previous period.

These financial statements are designed to cover a wide variety of companies and circumstances. As a result some notes or some entries in the primary statements or the notes may not be relevant for this company and so may be left blank intentionally.

Accounting basis

The financial statements are prepared in accordance with applicable United Kingdom law and Accounting Standards and under the historical cost convention as modified by the revaluation of investment properties and other fixed asset investments.

Where the company has subsidiaries, it has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of another company. Group financial statements which include the company for The British Land Company PLC are publicly available (see note 17).

Cash flow statement

The company is exempt under FRS 1 (Revised) from preparing a cashflow statement.

Properties

Properties are externally valued on an open market basis at the balance sheet date. Investment and development properties are recorded at valuation. Any surplus or deficit arising is transferred to revaluation reserve, unless a deficit is expected to be permanent, in which case it is charged to the profit and loss account. Disposals are recognised on completion. Profit on disposal is determined as the difference between sales proceeds and the carrying amount of the asset at the commencement of the accounting period plus additions in the period.

In accordance with Statement of Standard Accounting Practice 19, no depreciation is provided in respect of investment property. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view. The financial effect of the departure from these rules cannot reasonably be quantified as depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified. Where properties held for investment are appropriated to trading stock, they are transferred at market value.

The cost of properties in course of development includes attributable interest and other associated outgoings. Interest is calculated on the development expenditure by reference to specific borrowings where relevant and otherwise on the average rate applicable to short-term loans. Interest is not capitalised where no development activity is taking place.

A property ceases to be treated as a development on practical completion.

Financial liabilities

Debt instruments are stated at their net proceeds on issue. Finance charges including premiums payable on settlement or redemption and direct issue costs are spread over the period to redemption, using the effective interest method.

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Notes to the accounts for the period ended 31 March 2008

1 Accounting policies (continued)

Investments

Fixed asset investments are stated at cost less provision for impairment

Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are not taxable (or tax deductible). In particular the Group (including this company) became a REIT on 1 January 2007 and income and gains on qualifying assets are now exempt from taxation.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Net rental income

Rental income is recognised on an accruals basis. A rent adjustment based on open market estimated rental value is recognised from the rent review date in relation to unsettled rent reviews. Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the next rent review date. Rental income from fixed and minimum guaranteed rent reviews is recognised on a straight-line basis over the shorter of the entire lease term or the period to the first break option. Where such rental income is recognised ahead of the related cash flow, an adjustment is made to ensure the carrying value of the related property including the accrued rent does not exceed the external valuation.

Initial direct costs incurred in negotiating and arranging a new lease are amortised on a straight-line basis over the period from the date of lease commencement to the next rent review date.

Where a lease incentive payment, including surrender premiums paid, does not enhance the value of a property, it is amortised on a straight-line basis over the period from the date of lease commencement to the next rent review date. Upon receipt of a surrender premium for the early determination of a lease, the profit, net of dilapidations and non-recoverable outgoings relating to the lease concerned is immediately reflected in income.

1 & 4 & 7 TRITON LIMITED

**Notes to the accounts
for the period ended 31 March 2008**

**16 months
ended
31 March
2008
£**

2 Profit (loss) on ordinary activities before taxation

Profit (loss) on ordinary activities before taxation is stated after charging (crediting)

Amortisation

Depreciation

Auditors Remuneration

A notional charge of £1,150 per company is deemed payable to Deloitte & Touche LLP in respect of the audit of the financial statements. Actual amounts payable to Deloitte & Touche LLP are paid at group level by The British Land Company PLC

**16 months
ended
31 March
2008
£**

3 Staff costs

Wages and salaries

Social security costs

Pension costs

-
=====

No director received any remuneration for services to the company in either period

Average number of employees, excluding directors, of the company during the period was nil

1 & 4 & 7 TRITON LIMITED

**Notes to the accounts
for the period ended 31 March 2008**

	16 months ended 31 March 2008 £
4 Taxation	
Current tax	
UK corporation tax	7,802
Adjustments in respect of prior years	
Total current tax charge (credit)	<u>7,802</u>
Deferred tax	
Origination and reversal of timing differences	
Prior year items	
Total deferred tax charge (credit)	<u></u>
Total taxation charge (credit) (effective tax rate 0.4%)	<u><u>7,802</u></u>
 Tax reconciliation	
Profit on ordinary activities before taxation	<u>2,131,136</u>
Tax on profit on ordinary activities at UK corporation tax rate of 30%	639,341
Effects of	
REIT conversion charge	
REIT exempt income and gains	(134,087)
Capital allowances	
Tax losses and other timing differences	
(Income not taxable) expenses not deductible for tax purposes	
Transfer pricing adjustments	
Group relief (claimed) surrendered for nil consideration	(497,452)
Adjustments in respect of prior years	
Current tax charge (credit)	<u><u>7,802</u></u>

Included in the tax charge is a net charge of £nil attributable to property sales

The unprovided tax which would arise on the disposal of properties at valuation after available loss relief but without recourse to tax structuring is in the region of £nil

1 & 4 & 7 TRITON LIMITED

Notes to the accounts for the period ended 31 March 2008

5 Property

	Development £	Freehold £	Long leasehold £	Short leasehold £	Total £
At valuation					
11 December 2006					
Additions			35,337		35,337
Disposals					
Group transfers - in			137,921,871		137,921,871
Group transfers - out					
Revaluation surplus (deficit)			15,435,206		15,435,206
31 March 2008	-	-	153,392,414	-	153,392,414
Analysis of cost and valuation					
31 March 2008					
Cost			137,957,208		137,957,208
Revaluation			15,435,206		15,435,206
Net book value	-	-	153,392,414	-	153,392,414
11 December 2006					
Cost					
Revaluation					
Net book value	-	-	-	-	-

Properties were valued as at 31 March 2008 by Knight Frank LLP, Chartered Surveyors, as External Valuers on the basis of Market Value in accordance with the requirements of the Royal Institution of Chartered Surveyors Valuation Standards, sixth edition

Properties valued at £153,700,000 were charged to secure borrowings of the ultimate holding company

The values of the lease incentives £nil and the fixed and guaranteed rent review debtor of £307,585 are excluded from the net book value above and are included within debtors - Note 7

1 & 4 & 7 TRITON LIMITED

**Notes to the accounts
for the period ended 31 March 2008**

6. Investments

	Shares in subsidiaries £	Other investments £	Total £
At cost or directors' valuation			
11 December 2006			
Additions			
Disposals			
Group Transfers - in			
Group Transfers - out			
Provision for write-down			
Revaluation			
31 March 2008	<u>-</u>	<u>-</u>	<u>-</u>
Provision for write-down			
11 December 2006			
Provision for write-down			
Disposals			
31 March 2008	<u>-</u>	<u>-</u>	<u>-</u>
At cost or directors' valuation excluding provision for write-down			
31 March 2008	<u>-</u>	<u>-</u>	<u>-</u>
11 December 2006	<u>-</u>	<u>-</u>	<u>-</u>

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**Notes to the accounts
for the period ended 31 March 2008**

7 Debtors	2008
	£
Current debtors (receivable within one year)	
Trade debtors	33,897
Amounts owed by group companies - current accounts	
Amounts owed by associated companies - current accounts	
Corporation tax	
Other debtors	
Prepayments and accrued income	355,396
	<u>389,293</u>

Included in prepayments and accrued income is an amount of £nil, relating to lease incentives which are amortised over the period to the next rent review

Long-term debtors (receivable after more than one year)	
Amounts owed by group companies - Long term loans	-

8 Creditors due within one year	2008
	£
Trade creditors	
Amounts owed to group companies - current accounts	58,989,632
Amounts owed to associated companies - current accounts	
Corporation tax	7,802
Other taxation and social security	262,259
Other creditors	
Accruals and deferred income	1,963,473
	<u>61,223,166</u>

Amounts owed to fellow group companies are repayable on demand with interest being charged on balances outstanding at Bank of England base rates plus a margin while the subsidiary is active and if the interest charged does not put the subsidiary in financial difficulty

1 & 4 & 7 TRITON LIMITED

**Notes to the accounts
for the period ended 31 March 2008**

9. Creditors due after one year (including borrowings.)		2008
		£
Debentures and loans	due 1 to 2 years	
	due 2 to 5 years	
	due after 5 years	
		<u> </u>
		<u> </u>
		-

10 Provision for liabilities

	Sinking fund	Deferred tax	Total
	£	£	£
11 December 2006			
Charged (credited) to the profit and loss account			
Released			
Utilised in period			
31 March 2008	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>
	-	-	-

Deferred tax is provided as follows	2008
	£

Accelerated capital allowances	
Other timing differences	
	<u> </u>
	<u> </u>
	-

The deferred tax provision relates primarily to capital allowances claimed on plant and machinery within investment properties. For the period prior to conversion to a REIT or for properties not within the REIT regime, when a property is sold and the agreed disposal value for this plant and machinery is less than original cost there is a release of the surplus part of the provision.

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Notes to the accounts
for the period ended 31 March 2008

11 Share capital

2008

£

Authorised share capital

Ordinary Shares of £1 00 each

Opening balance as at 11 December 2006 0 shares

Increase in authorised share capital 75,001,000 shares 75,001,000

Closing balance as at 31 March 2007 75,001,000 shares 75,001,000

During the period the company increased its authorised Ordinary shares by 75,001,000 shares of £1 00 each

Issued share capital - allotted, called up and fully paid

Ordinary Shares of £1 00 each

Opening balance as at 11 December 2006 0 shares

Allotted shares 75,000,001 shares 75,000,001

Closing balance as at 31 March 2007 75,000,001 shares 75,000,001

During the period the company allocated 75,000,001 Ordinary shares with a nominal value of £1 00 each for intercompany debt

1 & 4 & 7 TRITON LIMITED**Notes to the accounts
for the period ended 31 March 2008****12. Reconciliation of movements in shareholders' funds and reserves**

	Share capital £	Share premium £	Revaluation reserve £	Hedging & translation reserve £	Profit and loss account £	Total £
Opening shareholders' funds						
Profit for the financial period					2,123,334	2,123,334
Dividends						
Share issues in the period	75,000,001					75,000,001
Unrealised surplus (deficit) on revaluation of investment properties			15,435,206			15,435,206
Unrealised surplus (deficit) on revaluation of investments						
Unrealised surplus (deficit) on revaluation of subsidiaries						
Realisation of prior year revaluations						
Taxation on the realisation of prior year revaluations						
Derivative valuation and exchange translation movements on net investments						
Closing shareholders' funds	<u>75,000,001</u>	<u>-</u>	<u>15,435,206</u>	<u>-</u>	<u>2,123,334</u>	<u>92,558,541</u>

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**Notes to the accounts
for the period ended 31 March 2008**

13. Capital commitments

The company had capital commitments contracted as at 31 March 2008 of £nil

14 Contingent liabilities

The company is jointly and severally liable with the ultimate holding company and fellow subsidiaries for all monies falling due under the group VAT registration

15 Related parties

The company has taken advantage of the exemption granted to 90% subsidiaries not to disclose transactions with group companies under the provisions of Financial Reporting Standard 8

16 Subsequent events

There have been no significant events since the year end

17 Immediate parent and ultimate holding company

The immediate parent company is BL Office (Non-City) Holding Company Limited

The British Land Company PLC is the smallest and largest group for which group accounts are available and which include the company. The ultimate holding company and controlling party is The British Land Company PLC, which is incorporated in Great Britain and registered in England and Wales. Group accounts for this company are available on request from British Land, York House, 45 Seymour Street, London, W1H 7LX