

TSB FINANCIAL SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2008

Registered number

2079683

Registered office

Charlton Place
Andover
Hampshire
SP10 1RE

Directors

A D Briggs
J McConville

Company secretary

Sharon Goodwin



Member of Lloyds Banking Group

TSB Financial Services Limited

Notes to the financial statements (continued)

REPORT OF THE DIRECTORS

Business review and principal activity

During the year ended 31 December 2008, the company did not trade or incur any liabilities and consequently has made neither profit nor loss.

Directors

The names of the current directors are shown on page 1.

The following changes in directors took place during the year and since the year end:

| | Appointed | Resigned |
|--------------|-------------------------------|-------------------------------|
| J McConville | 10 th January 2008 | |
| G J Cummins | | 10 th January 2008 |

On behalf of the board



A D Briggs
Director

13/5/2009

TSB Financial Services Limited

Notes to the financial statements (continued)

Balance sheet
at 31 December 2008

| | Notes | 2008 £'000 | 2007 £'000 |
|-----------------------------------|-------|---------------|---------------|
| Current assets | | | |
| Amounts owed by group companies | 2 | 168 | 168 |
| Total assets | | <u>168</u> | <u>168</u> |
| Equity | | | |
| Share capital | 3 | 120 | 120 |
| Retained earnings | | 48 | 48 |
| Total shareholders' equity | | <u>168</u> | <u>168</u> |

For the year ended 31 December 2008, the company was dormant and was, therefore, entitled under section 249 AA (1) of the Companies Act 1985 to exemption from audit and the member has not required it to obtain an audit.

The directors are responsible for:

- (1) keeping accounting records which comply with the provisions of the Companies Act; and
- (2) preparing accounts, which give a true and fair view of the affairs of the company at 31 December 2008 and of its profit or loss for the year and which otherwise comply with the requirements of the Act.

The directors approved the accounts on 13/5/2009


AD Briggs
Director

The accompanying notes are an integral part of the financial statements.

TSB Financial Services Limited

Notes to the financial statements (continued)

1. General information

The principal accounting policies applied in the preparation of these financial statements are set out below. The financial statements have been prepared under the historical cost convention, in compliance with the requirements of the Companies Act 1985 and in accordance with applicable International Financial Reporting Standards (IFRS). There are no accounting policies where the use of assumptions and estimates are determined to be significant to the financial statements.

An income statement, a statement of changes in equity and a cash flow statement are not presented in these financial statements as these would show nil amounts for the current and preceding financial years.

2. Current assets: amounts owed by other group companies

| | 2008 £ | 2007 £ |
|--|------------|------------|
| Owed by parent companies: | | |
| At 1 January 2008 and 31 December 2008 | <u>168</u> | <u>168</u> |

Representing:

Lloyds TSB General Insurance Holdings Limited

Amounts owed by other group companies are non-interest bearing and are repayable on demand. The fair values of amounts owed by other group companies is equal to their carrying amounts. No provisions have been recognised in respect of amounts owed by other group companies.

3. Share capital

| | 2008 £'000 | 2007 £'000 |
|--|---------------|---------------|
| Authorised: | | |
| 120,000 (2007: 120,000) ordinary shares of £1 each | 120 | 120 |

| | 2008 Number of shares | 2007 Number of shares | 2008 £'000 | 2007 £'000 |
|-----------------------------------|-----------------------------|-----------------------------|---------------|---------------|
| Issued and fully paid: | | | | |
| Ordinary shares of £1 each | | | | |
| At 1 January and at 31 December | 120,000 | 120,000 | 120 | 120 |

TSB Financial Services Limited

Notes to the financial statements (continued)

4. Related party transactions

The Company's immediate parent company is Lloyds TSB General Insurance Holdings Limited. The company regarded by the directors as the ultimate parent company is Lloyds Banking Group plc (formerly Lloyds TSB Group plc), a limited liability company incorporated and domiciled in Scotland, which is also the parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the Company is a member. Lloyds TSB Bank plc is the parent undertaking of the smallest such group of undertakings. Copies of the group accounts of both companies may be obtained from the company secretary's office, Lloyds Banking Group plc, 25 Gresham Street, London EC2V 7HN.

The company's related parties include other companies in the Lloyds Banking Group, pension schemes of the company's ultimate parent company and the company's key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, which is determined to be the company's directors.

There were no transactions between the company and key management personnel during the current or preceding year.

Key management personnel are employed by other companies in the Lloyds Banking Group and consider that their services to the company are incidental to their other activities within the group.