

HBOS TREASURY SERVICES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2012

Registered office

33 Old Broad Street
London
EC2N 1HZ

Registered number

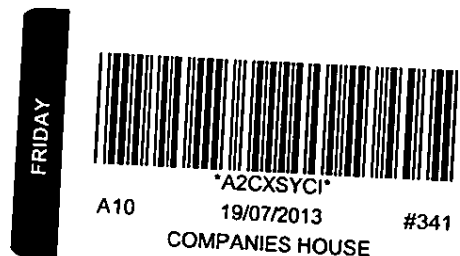
2692890

Directors

HBOS Directors Limited
Lloyds Secretaries Limited
P Gittins

Company Secretary

Lloyds Secretaries Limited



Member of Lloyds Banking Group

HBOS TREASURY SERVICES LIMITED

REGISTERED NUMBER: 2692890

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

Principal activities and business review

HBOS Treasury Services Limited ("the Company") is a limited company incorporated and domiciled in England and Wales

During the year ended 31 December 2012, the Company did not trade or incur any liabilities and consequently has made neither profit nor loss

Directors

The names of the present directors of the Company are shown on the cover

The following change has taken place during the year and since the year end

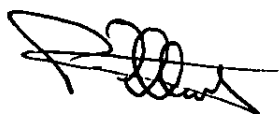
H F Baines (resigned 31 December 2012)

P Gittins (appointed 5 July 2013)

Directors' indemnities

The directors have the benefit of a deed of indemnity which constitutes a "qualifying third party indemnity provision" These deeds are in force during the whole of the financial year (or from the date of appointment in respect of directors who join the board during the financial year) The indemnities remain in force at the date of signing the financial statements Deeds for existing directors are available for inspection at the registered office of Lloyds Banking Group plc

On behalf of the board



P Gittins
Director

17 July 2013

HBOS TREASURY SERVICES LIMITED

BALANCE SHEET AT 31 DECEMBER 2012

	Note	2012 £m	2011 £m
Total assets		-	-
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Equity			
Share capital	2	660	660
Retained profits		800	800
Statutory reserve		(1,460)	(1,460)
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Total equity		-	-
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For the year ended 31 December 2012, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 (the "Act") relating to dormant companies.

Directors' responsibilities

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and the preparation of accounts

The financial statements on pages 2 to 4 were approved by the board of directors on 17 June 2013 and signed on its behalf by



P Gittins
Director

The accompanying notes are an integral part of the financial statements

HBOS TREASURY SERVICES LIMITED

Notes to the financial statements for the year ended 31 December 2012

1. Accounting policies

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 2006 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.

A Statement of comprehensive income, 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. Share capital

	2012	2011
	£m	£m
Allotted, issued and fully paid:		
2,640,000,000 ordinary shares of £0.25 each	660	660

During the year, as permitted by the Companies Act 2006, the Company removed references to authorised share capital from its articles of association.

3. Related party transactions

The Company's immediate parent company is Bank of Scotland plc. The company regarded by the directors as the ultimate parent company is Lloyds Banking 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. Bank of Scotland plc is the parent undertaking of the smallest such group of undertakings. Copies of the group accounts of both companies may be obtained from Group Secretariat, 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.

HBOS TREASURY SERVICES LIMITED

Notes to the financial statements for the year ended 31 December 2012 (continued)

3. Related party transactions (continued)

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