

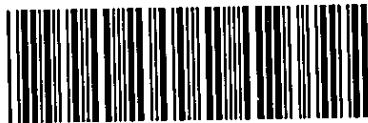
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LLOYDS TSB MARITIME LEASING (NO 12) LIMITED

30 September 2006

Member of Lloyds TSB Group

FRIDAY



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COMPANIES HOUSE

LLOYDS TSB MARITIME LEASING (NO 12) LIMITED

25 Gresham Street London EC2V 7HN

DIRECTORS

A J Cumming
P Higgins
A B Vowles (Alternate A M Basing)

SECRETARY

S Slattery

AUDITORS

PricewaterhouseCoopers LLP

REGISTERED OFFICE

25 Gresham Street
London EC2V 7HN

REGISTERED NUMBER

5017273

REPORT OF THE DIRECTORS

REVIEW OF BUSINESS

During the year the principal activity of the company was the holding of investments in limited partnerships, this is expected to continue for the foreseeable future. The directors consider the results for this year to be satisfactory.

The results of the company show a pre-tax loss of £1,620,000 (2005 £1,658,000) for the year as set out in the income statement on page 5.

The company has a net deficit on shareholders' equity of £2,309,000 (2005 £1,175,000).

FUTURE OUTLOOK

The company will continue to look for appropriate investment opportunities.

DIRECTORS

The names of the directors of the company are shown on page 1. The following changes in directors have taken place during the year and since the year end:

	Appointed	Resigned / ceased to be a director
A R Foad		31 October 2005
M A Grant*		16 June 2005
P Higgins	7 September 2005	
P B Miles		26 August 2005
R F Pelly	17 November 2005	26 February 2007
M W Joseph		15 November 2006

* alternate to A J Cumming

All the directors are also directors of Lloyds TSB Leasing Limited, the immediate parent company, and reference to the interests of those who were directors at the end of the year in the capital of Lloyds TSB Group plc, the ultimate parent company, and its subsidiaries is made in the report and accounts of Lloyds TSB Leasing Limited.

RESPONSIBILITIES OF DIRECTORS

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 as at the end of the year and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the company and which 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.

REPORT OF THE DIRECTORS

AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each director in office at the date the directors' report is approved

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

PRINCIPAL RISKS AND UNCERTAINTIES

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. For further details please refer to note '1 (g) - Financial risk management' in these financial statements

KEY PERFORMANCE INDICATORS ('KPIs')

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

POLICY AND PRACTICE ON PAYMENT OF CREDITORS

The company follows "The Better Payment Practice Code" published by the Department of Trade and Industry, regarding the making of payments to suppliers. A copy of the code and information about it may be obtained from The DTI Publications Orderline 0870-1502500 (quoting ref URN 04/606)

The company's policy is to agree terms of payment with suppliers and these normally provide for settlement within 30 days after the date of the invoice, except where other arrangements have been negotiated. It is the policy of the company to abide by the agreed terms of payment, provided the supplier performs according to the terms of the contract

As the company owed no amounts to trade creditors at 30 September 2006, the number of days required to be shown in this report, to comply with the provisions of the Companies Act 1985, is nil

On behalf of the board



S Slattery
Secretary

15 June 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LLOYDS TSB MARITIME LEASING (NO 12) LIMITED

We have audited the financial statements of Lloyds TSB Maritime Leasing (No 12) Limited for the year ended 30 September 2006 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 IFRSs as adopted by the European Union, of the state of the company's affairs as at 30 September 2006 and of its loss and cash flows for the year 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.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors

The Quay
30 Channel Way
Ocean Village
Southampton
SO14 3QG

20 June 2007

LLOYDS TSB MARITIME LEASING (NO 12) LIMITED

INCOME STATEMENT

For the year ended 30 September 2006

	Note	2006 £000	2005 £000
Income from partnerships	2	1,353	1,460
Finance costs	3	(2,697)	(2,882)
		<hr/>	<hr/>
		(1,344)	(1,422)
Other income	4	-	-
Administrative expenses		(280)	(236)
		<hr/>	<hr/>
Loss before tax	4	(1,620)	(1,658)
Taxation credit	5	486	498
		<hr/>	<hr/>
Loss for the year		(1,134)	(1,160)
		<hr/>	<hr/>

The accompanying notes are an integral part of the Financial Statements

LLOYDS TSB MARITIME LEASING (NO 12) LIMITED

BALANCE SHEET
As at 30 September 2006

	Note	2006 £000	£000	2005 £000	£000
Assets					
Non-current assets					
Investment	7		61,714		63,598
Current assets					
Amounts owed by group companies	8	2,164		2,784	
Other debtors		-	2,164	4	2,788
Total assets			63,878		66,386
Liabilities					
Current liabilities					
Amounts owed to group companies	9	57,386		61,415	
Other creditors		24	57,410	34	61,449
Non-current liabilities					
Deferred taxation	10		8,777		6,112
Total liabilities			66,187		67,561
Equity					
Share capital	11		-		-
Retained earnings	12		(2,309)		(1,175)
Total liabilities and equity			63,878		66,386

The directors approved the accounts on 15 June 2007



P Higgins
Director

The accompanying notes are an integral part of the Financial Statements

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Note	Share capital and premium £000	Retained profits £000	Total £000
Balance at 1 October 2004	15	-	135	135
Loss for the year			(1,160)	(1,160)
Dividend paid	6	-	(1,025) (150)	(1,025) (150)
Balance at 30 September 2005 and 1 October 2005	15	-	(1,175)	(1,175)
Loss for the year			(1,134)	(1,134)
Balance at 30 September 2006		-	(2,309)	(2,309)

The accompanying notes are an integral part of the Financial Statements

LLOYDS TSB MARITIME LEASING (NO 12) LIMITED

CASHFLOW STATEMENT

For the year ended 30 September 2006

	Note	2006 £000	2005 £000
Net cash flow from operating activities	13	(228)	183
		<hr/>	<hr/>
Financing activities			
Dividends paid	6	-	(150)
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		(228)	33
Cash and cash equivalents at the beginning of the year		309	276
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	8	81	309
		<hr/>	<hr/>

The accompanying notes are an integral part of the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below

The company's ultimate parent company, Lloyds TSB Group plc, adopted International Financial Reporting Standards ('IFRS') in its financial statements for the year ended 31 December 2005. In accordance with the Companies Act 1985, the company has also adopted IFRS in the preparation of these financial statements for the year ended 30 September 2006.

The financial information has been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets at fair value through profit or loss and all derivative contracts, on the basis of IFRS.

There are no critical areas which require disclosure where management have exercised judgement in applying the company's accounting policies or in determining accounting estimates.

Further details of the implementation of IFRS for the company are given in note 15.

(a) Investments in limited partnerships

Income from investments in limited partnerships is recognised when received. Distributions in excess of partnership profits are treated as a reduction of partnership investment.

(b) Impairment

At each balance sheet date the company assesses whether, as a result of one or more events occurring after initial recognition, there is objective evidence that a financial asset or group of financial assets has become impaired.

If there is objective evidence that an impairment loss has been incurred, a provision is established which is calculated as the difference between the balance sheet carrying value of the asset and the present value of the estimated future cash flows discounted at the assets implicit rate in the underlying lease.

(c) Taxation

Current income tax which is payable on taxable profits is recognised as an expense in the period in which the profits arise.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised. Income tax payable on profits is recognised as an expense in the period in which those profits arise. The tax effects of losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

(d) Dividends

Dividends on ordinary shares are recognised in equity in the period in which they are paid.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits as well as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. See note 8.

(f) Derivative financial instruments

The company did not hold any derivative financial instruments during the accounting period.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies (continued)**(g) Financial risk management**

The company is exposed through its operations to a variety of financial risks that include credit risk and interest rate risk. Risk management is performed by various Committees established by its ultimate parent, Lloyds TSB Group plc for the management of these risks.

2 Income from partnerships

Income from partnerships represents the distribution received in respect of the company's investment less any repayment of partnership capital.

3 Finance costs

	2006 £000	2005 £000
Interest due to other group companies on bank loans and overdrafts	2,697	2,882

4 Loss before tax

Audit fees for the company are borne by the immediate parent company, the audit fee attributed to this company for the year was £3,600. The company has no employees and the directors received no remuneration in respect of their services to the company.

5 Taxation

	2006 £000	2005 £000
(a) The credit for the year comprises		
Group relief receivable/(payable) on current taxation loss for the year	3,151	4,275
Adjustment in respect of prior years	-	(13)
Total group relief receivable/(payable) for year	3,151	4,262
Deferred taxation (Note 10)	(2,665)	(3,777)
Adjustment in respect of prior years	-	13
	486	498

The taxation credit did not differ from the standard rate of corporation tax in the UK (30%).

6 Dividends

	2006 £000	2005 £000
The dividends paid in the year were as follows		
Final dividend in respect of the preceding year	-	150

There will be no dividend paid in respect of the year ended 30 September 2006.

NOTES TO THE FINANCIAL STATEMENTS

7 Investment

This represents the company's investment, at cost, of a 99.996% interest as a limited partner in Fatmarini Maritime, Frabandari Maritime, Hartati Maritime, Harsandadi Maritime, Nolawati Maritime, Nogogini Maritime and Ratih Maritime Limited Partnerships, UK limited partnerships, each of which carries on business as an owner and charterer of a ship. The results of the limited partnerships are consolidated in the group accounts of Lloyds TSB Group plc.

	2006 £000	2005 £000
As at 1 October	63,598	46,243
(Repayment of)/increase in partnership capital	(1,884)	17,355
	<hr/>	<hr/>
At 30 September	61,714	63,598
	<hr/>	<hr/>

8 Amounts owed by group companies

	2006 £000	2005 £000
Amounts falling due within one year		
Bank deposits	81	309
Group relief receivable	2,083	2,475
	<hr/>	<hr/>
	2,164	2,784
	<hr/>	<hr/>
For further details please refer to note 14		

9 Amounts owed to group companies

	2006 £000	2005 £000
Amounts falling due within one year		
Bank borrowings	56,809	60,801
Interest payable	577	614
	<hr/>	<hr/>
	57,386	61,415
	<hr/>	<hr/>
For further details please refer to note 14		

NOTES TO THE FINANCIAL STATEMENTS

10 Deferred tax

The movement in the net deferred tax balance is as follows

	2006 £000	2005 £000
At 1 October	6,112	2,348
Income statement charge	2,665	3,777
Adjustment in respect of prior years	-	(13)
	<hr/>	<hr/>
At 30 September	8,777	6,112
	<hr/>	<hr/>

The deferred tax charge in the income statement comprises the following temporary differences

	2006 £000	2005 £000
Accelerated tax depreciation	2,665	3,777
Adjustment in respect of prior years	-	(13)
	<hr/>	<hr/>
	2,665	3,764
	<hr/>	<hr/>

Deferred tax liabilities are comprised as follows

	2006 £	2005 £
Accelerated tax depreciation	8,777	6,112
	<hr/>	<hr/>

11 Share capital

	2006 £	2005 £
Authorised, allotted and issued		
Ordinary shares of £1 each	100	100
	<hr/>	<hr/>

The company regarded by the directors as the ultimate parent company is Lloyds TSB Group plc, which is also the parent company of the largest group of companies for which group accounts are drawn up and of which the company is a member. Lloyds TSB Bank plc is the parent company of the smallest such group of companies. Copies of the group accounts of both may be obtained from the company secretary's office, Lloyds TSB Group plc, 25 Gresham Street, London EC2V 7HN.

The immediate parent company is Lloyds TSB Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS

12 Retained earnings

	2006 £000	2005 £000
At 1 October	(1,175)	135
Net (loss) for the year	(1,134)	(1,160)
Dividend paid	-	(150)
	<hr/>	<hr/>
At 30 September	(2,309)	(1,175)

13 Notes to the cash flow statement

	2006 £000	2005 £000
Profit from operations	(1,620)	(1,658)
	<hr/>	<hr/>
Operating cash flows before movements in working capital	(1,620)	(1,658)
(Increase)/decrease in receivables	1,889	(17,343)
(Decrease)/increase in payables	(4,039)	16,104
	<hr/>	<hr/>
Cash generated by operations	(3,770)	(2,897)
Group relief received	3,542	3,080
	<hr/>	<hr/>
Net cash flow from operating activities	(228)	183

14 Related party transactions

In respect of related party transactions, the outstanding balances receivable/(payable) as at 30 September were as follows

Nature of transaction	Related party	2006 £000	2005 £000
Bank deposits	Intermediate parent undertaking	81	309
Group relief receivable	Intermediate parent undertaking	2,083	2,475
Bank borrowings	Intermediate parent undertaking	(56,809)	(60,801)
Interest payable	Intermediate parent undertaking	(577)	(614)

The bank deposits are non-interest bearing and are repayable on demand. The bank borrowings are interest bearing and are repayable on maturity. During the year rates of interest of up to 4.70% (2005 4.94%) were charged on bank borrowings. Finance costs of £2,697,000 (2005 £2,882,000) were incurred during the year.

The company paid a management fee of £280,000 (2005 £236,000) to its immediate parent company, Lloyds TSB Leasing Limited, during the year.

The company received group relief of £3,542,000 (2005 £3,080,000) during the year from Lloyds TSB Bank plc.

NOTES TO THE FINANCIAL STATEMENTS

15 Adoption of International Financial Reporting Standards

This is the first year that the company has presented its financial statements under IFRS. IFRS differs in certain respects from the Company's previous accounting policies, which complied with UK Generally Accepted Accounting Principles ('UK GAAP'). Set out below are explanations and reconciliations showing the effect of adoption of IFRS.

Accounting changes effective from 1 October 2004 and which impact 2005 comparatives**(a) Investments (IAS 17)**

As a result of the changes required by IFRS in respect of leased assets, there has been a reduction in the carrying value of the assets held by the partnerships, the income receivable from the partnership has been adjusted to reflect this.

(b) Dividends (IAS 10)

Under IFRS equity dividends declared after balance sheet date may not be included as a liability at the balance sheet date.

(c) Deferred tax (IAS 12)

The change in the deferred tax liability is a direct result of the change in net book value of leased assets.

The following disclosures are required at the date of transition being 1 October 2004.

Restated Company balance sheet (reconciliation of equity) at 1 October 2004

	UK GAAP £000	IAS17 £000	Dividends £000	IAS12 £000	IFRS £000
Investments	46,304	(61)	-	-	46,243
Other debtors	1,585	-	-	-	1,585
Total assets	47,889	(61)	-	-	47,828
Deferred taxation	(2,366)	-	-	18	(2,348)
Other creditors	(45,495)	-	150	-	(45,345)
Total liabilities	(47,861)	-	150	18	(47,693)
Total assets less total liabilities	28	(61)	150	18	135
Issued capital	-	-	-	-	-
Retained earnings	28	(61)	150	18	135
Total equity	28	(61)	150	18	135

NOTES TO THE FINANCIAL STATEMENTS

15 Adoption of International Financial Reporting Standards (continued)

The last financial statements were for the year ended 30 September 2005. The impact of restating these financial statements for IFRS is as follows:

Restated Company income statement (reconciliation of profit) for the year ended 30 September 2005

	UK GAAP £000	IAS17 £000	Dividends £000	IAS12 £000	IFRS £000
Investment income	3,292	(1,832)	-	-	1,460
Finance costs	(2,882)	-	-	-	(2,882)
	410	(1,832)	-	-	(1,422)
Administrative expenses	(236)	-	-	-	(236)
Profit before tax	174	(1,832)	-	-	(1,658)
Taxation	(52)	-	-	550	498
Profit after tax	122	(1,832)	-	550	(1,160)

NOTES TO THE FINANCIAL STATEMENTS

15 Adoption of International Financial Reporting Standards (continued)

Restated Company balance sheet (reconciliation of equity) at 30 September 2005

	UK GAAP £000	IAS17 £000	Dividends £000	IAS12 £000	IFRS £000
Investment	65,495	(1,897)	-	-	63,598
Other debtors	2,784	4	-	-	2,788
Total assets	68,279	(1,893)	-	-	66,386
Deferred taxation	(6,680)	-	-	568	(6,112)
Other creditors	(61,549)	-	100	-	(61,449)
Total liabilities	(68,229)	-	100	568	(67,561)
Total assets less total liabilities	50	(1,893)	100	568	(1,175)
Issued capital	-	-	-	-	-
Retained earnings	50	(1,893)	100	568	(1,175)
Total equity	50	(1,893)	100	568	(1,175)

There was no impact of restating the 30 September 2005 balance sheet for IAS32/39 at 1 October 2005