

ENDEAVOUR MARINE SERVICES LIMITED

ANNUAL REPORT AND ACCOUNTS 2008

Registered office

25 Gresham Street
London
EC2V 7HN

Registered number

74289

Directors

E J Grant
G J Polack

Company secretary

David Jarvis

TUESDAY



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COMPANIES HOUSE

Member of Lloyds Banking Group

ENDEAVOUR MARINE SERVICES LIMITED

Report of the directors

Business review and principal activity

The company has been dormant for a number of years. During the year ended 31 December 2008, as a result of a larger group project undertaken to simplify the structure of the Lloyds Banking Group, the company undertook a number of transactions which resulted in the company making a small profit.

The profit for the year after taxation amounted to £15,071 (2007: nil) as set out in the income statement on page 6. As part of a larger project undertaken to simplify the structure of the Lloyds Banking Group, it is intended that the company will be entered into members' voluntary liquidation in the next year. Accordingly, these accounts have not been prepared on a going concern basis. However, this would not affect the values used as the carrying values are the same as the net realisable values.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the Lloyds Banking Group and are not managed separately. Full disclosure of the company's financial risk management objectives and policies are given in note 3 to the 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.

Directors

The names of the directors of the company, who have served throughout the year and since the year end, are shown on page 1.

ENDEAVOUR MARINE SERVICES LIMITED

Report of the directors (continued)

Responsibilities of directors

The directors are responsible for preparing the annual report including, as described below, the financial statements. The United Kingdom Companies Act 1985 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 have responsibility for ensuring that the company keeps 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 United Kingdom 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.

Auditors and audit information

Each person who was a director at the date of approval of this report confirms that, so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or 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 section 234ZA of the Companies Act 1985.

On behalf of the board



David Jarvis
Company Secretary

30 June 2009

ENDEAVOUR MARINE SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF ENDEAVOUR MARINE SERVICES LIMITED

We have audited the financial statements of Endeavour Marine Services Limited for the year ended 31 December 2008 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement 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 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 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.

ENDEAVOUR MARINE SERVICES LIMITED

Independent auditors' report (continued)

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 31 December 2008 and of its profit 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
Bristol

30 June 2009

ENDEAVOUR MARINE SERVICES LIMITED

Income statement for the year ended 31 December 2008

	Note	2008 £	2007 £
Other income	4	<u>21,078</u>	<u>-</u>
Profit before tax		21,078	-
Tax charge for the year	7	<u>(6,007)</u>	<u>-</u>
Profit for the year		<u>15,071</u>	<u>-</u>

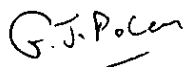
The accompanying notes are an integral part of the financial statements.

ENDEAVOUR MARINE SERVICES LIMITED

Balance sheet at 31 December 2008

	Note	2008 £	2007 £
Non-current assets			
Investments in subsidiaries	5	<u>20,200</u>	<u>20,202</u>
Current assets			
Amounts owed by other group companies	5	<u>2,090,431</u>	<u>2,090,431</u>
Total assets		<u>2,110,631</u>	<u>2,110,633</u>
Current liabilities			
Amounts owed to other group companies	5	(20,200)	(20,202)
Current tax liability		(6,515)	(508)
Other liabilities	6	<u>-</u>	<u>(21,078)</u>
		(26,715)	(41,788)
Total liabilities		<u>(26,715)</u>	<u>(41,788)</u>
Net assets		<u>2,083,916</u>	<u>2,068,845</u>
Equity			
Share capital	8	12,500,000	12,500,000
Retained earnings		<u>(10,416,084)</u>	<u>(10,431,155)</u>
Total equity		<u>2,083,916</u>	<u>2,068,845</u>

The directors approved the accounts on 30 June 2009.



G J Polack
Director

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

ENDEAVOUR MARINE SERVICES LIMITED

Statement of changes in equity for the year ended 31 December 2008

	Share capital £	Retained earnings £	Total £
At 1 January and 31 December 2007 and 1 January 2008	12,500,000	(10,431,155)	2,068,845
Retained profit for the year	-	15,071	15,071
At 31 December 2008	<u>12,500,000</u>	<u>(10,416,084)</u>	<u>2,083,916</u>

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

ENDEAVOUR MARINE SERVICES LIMITED
Cash flow statement
for the year ended 31 December 2008

	Note	2008 £	2007 £
Cash flows from operating activities:			
Cash used in operations	9	(2)	-
Net cash used in operating activities		<u>(2)</u>	<u>-</u>
Cash flows from investing activities:			
Proceeds from disposal of subsidiary		2	-
Net cash generated from investing activities		<u>2</u>	<u>-</u>
Change in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
Cash and cash equivalents at end of year		<u>-</u>	<u>-</u>

There were no cash flows generated from or used in financing activities.

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

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements

1. Accounting policies

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) as adopted by the European Union.

Details of those IFRS pronouncements which will be relevant to the company but which were not effective at 31 December 2008 and which have not been applied in preparing these financial statements are given in note 10.

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

These separate financial statements contain information about the company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemptions under IAS 27 *Consolidated and Separate Financial Statements* and section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements. The company and its subsidiaries are included in the consolidated financial statements of the company's ultimate parent company.

Investments in subsidiaries

Investments in subsidiary companies are carried at cost, less provision for any permanent diminution in value.

2. Capital management

The company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, provide an adequate return to its shareholders through pricing products and services commensurately with the level of risk, and, indirectly, to support the Lloyds Banking Group's regulatory capital requirements.

The company's parent company manages the company's capital structure and advises the board of directors to consider making adjustments to it in the light of changes to economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the board may adjust the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares, or sell assets.

The company's capital comprises all components of equity, movements in which appear in the statement of changes of equity on page 8. The company received most of its funding requirements from its parent and does not raise funding externally.

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements (continued)

3. Financial risk management

The directors are responsible for establishing a framework for evaluating, measuring, monitoring and controlling risk. They are responsible for ensuring that the risks within the business are identified, assessed, monitored and controlled. These controls and procedures where relevant comply with Lloyds Banking Group policies and standards.

(a) *Measurement basis of assets and liabilities*

All assets and liabilities are carried at amortised cost.

(b) *Credit risk*

The maximum credit risk exposure of the company in the event of other parties failing to perform their obligations is considered to be the balance sheet carrying amount of amounts owed by group companies, totalling £2,090,431 (2007: £2,090,431). The company's financial assets have no amounts past due or impaired (2007: nil), and are considered to be of high credit quality.

(c) *Liquidity risk*

The company's liabilities, totalling £20,200 (2007: £41,280), are all repayable on demand, and there is no difference between the contractual cash flows payable and the balance sheet carrying amount.

(d) *Market risk*

The company has no interest-bearing assets or liabilities, and no balances denominated in foreign currencies. Accordingly the company has no significant exposure to market risk.

4. Other income

The other income arises from the release of accruals that had been in place for a number of years and which were found not to be required.

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements (continued)

5. Related party transactions

Endeavour Marine Services Limited is incorporated and resident in England and Wales. The company's immediate parent company is TSB Commercial Holdings Limited which is incorporated and resident in England & Wales. The company regarded by the directors as the ultimate parent company is Lloyds Banking Group plc (formerly Lloyds TSB Group plc) which is incorporated in Scotland, and 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 company accounts of both 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 the ultimate and immediate parent companies, 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.

Investments in subsidiaries

	Cost £	Provisions £	Net book value £
At 31 December 2007 and 1 January 2008	20,202	-	20,202
Disposal of investment in Lloyds, Cox's & King's	(2)	-	(2)
At 31 December 2008	20,200	-	20,200

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements (continued)

5. Related party transactions (continued)

The company's subsidiary, which has prepared accounts to 31 December and whose results are included in the consolidated accounts of the ultimate parent company, is:

Name	Shares held	% of share capital held
Wm Brown Atkinson & Co. Limited	£1 Ordinary	100%

The subsidiary company is non-trading and registered in England & Wales.

In the opinion of the directors the net book value of the investment in the subsidiary company, consisting of shares in and amounts owing to and from the company's subsidiary, is not less than the amount at which the net assets are stated in the subsidiary company's balance sheet.

During the year, the company disposed of its investment in Lloyds Cox's & Kings for a consideration £2, making no profit or loss on disposal.

Amounts owed by other group companies

	2008 £	2007 £
Owed by parent companies	2,090,431	1,697,535
Owed by fellow subsidiaries	-	392,896
	<u>2,090,431</u>	<u>2,090,431</u>

Representing:

	2008 £	2007 £
Lloyds TSB Bank plc	2,090,431	1,697,535
Amberdate Limited	-	392,896
	<u>2,090,431</u>	<u>2,090,431</u>

Amounts owed by other group companies are non-interest bearing and are repayable on demand. The fair value 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.

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements (continued)

5. Related party transactions (continued)

Amounts owed to other group companies

	2008	2007
	£	£
Owed to subsidiary companies	<u>20,200</u>	<u>20,202</u>

Representing:

	2008	2007
	£	£
Lloyd's, Cox's & King's Limited	-	2
Wm Brown Atkinson & Co Limited	<u>20,200</u>	<u>20,200</u>
	<u>20,200</u>	<u>20,202</u>

Amounts owed to other group companies are non-interest bearing and are repayable on demand. The fair value of amounts owed to other group companies is equal to their carrying amounts.

6. Current liabilities: other creditors

	2008	2007
	£	£
Accruals	<u>-</u>	<u>21,078</u>

7. Taxation

There is no difference between the tax charge for the year and the tax charge that would arise from applying the effective UK corporation tax rate of 28.5% (2007: 30%) to profit before tax.

The standard rate of UK corporation tax reduced from 30% to 28% with effect from 1 April 2008.

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements (continued)

8. Share capital

	2008	2007
	£	£
Authorised, allotted, issued and fully paid:		
12,500,000 Ordinary shares of £1 each	<u>12,500,000</u>	<u>12,500,000</u>

9. Reconciliation of profit before tax to net cash flow from operations

	2008	2007
	£	£
Profit before tax	21,078	-
Decrease in amounts owed to group companies	(2)	-
Decrease in other current liabilities	<u>(21,078)</u>	<u>-</u>
Net cash used in operations	<u>(2)</u>	<u>-</u>

ENDEAVOUR MARINE SERVICES LIMITED

Notes to the financial statements (continued)

10. Future developments

The following pronouncements will be relevant to the company but were not effective at 31 December 2008 and have not been applied in preparing these financial statements.

Pronouncement	Nature of change	Effective date
IAS 1 Presentation of Financial Statements	Revises the overall requirements for the presentation of financial statements, guidance for their structure and minimum content requirements. The revised standard requires the presentation of all non-owner changes in equity within a statement of comprehensive income.	Annual periods beginning on or after 1 January 2009
Improvements to IFRSs	Sets out minor amendments to IFRS standards as part of annual improvement process.	Dealt with on a standard by standard basis but not earlier than periods beginning on or after 1 January 2009.

The full impact of these pronouncements is being assessed by the company. However, the initial view is that none of these pronouncements is expected to cause any material adjustments to the financial statements.