

UDT INVESTMENT HOLDINGS LIMITED

REPORT AND ACCOUNTS 2006

Registered office

25 Gresham Street
London
EC2V 7HN

Registered number

979905

Directors

D J Joyce
G J Polack

Company secretary

David Jarvis



Member of Lloyds TSB Group

UDT INVESTMENT HOLDINGS LIMITED

Report of the directors

Activities and results

During the year ended 31 December 2006, 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 page 1.

Directors' interests

The interests of those who were directors of the company at the end of the year in the capital of Lloyds TSB Group plc were

| Ordinary shares of 25p each | At 1 January 2006 | At 31 December 2006 |
|-----------------------------|-------------------|---------------------|
| D J Joyce | 13,316 | 13,883 |
| G J Polack | 20,969 | 21,581 |

| Conditional awards of ordinary shares of 25p each under the Lloyds TSB long-term incentive plan | At 1 January 2006 | Awarded during the year | At 31 December 2006 |
|---|-------------------|-------------------------|---------------------|
| D J Joyce | - | 7,788 | 7,788 |
| G J Polack | - | 1,590 | 1,590 |

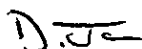
Options to acquire ordinary shares of 25p each

| During the year | | | | | |
|-----------------|-------------------|---------|-----------|---------|---------------------|
| | At 1 January 2006 | Granted | Exercised | Lapsed* | At 31 December 2006 |
| D J Joyce | 69,443 | - | - | 5,314 | 64,129 |
| G J Polack | 19,740 | - | - | 1,888 | 17,852 |

* During the year, these share options lapsed, in accordance with the rules of the relevant share option scheme

None of the directors had any other interest in the capital of Lloyds TSB Group plc or its subsidiaries

On behalf of the board



David Jarvis
Company Secretary
27 April 2007

UDT INVESTMENT HOLDINGS LIMITED

Balance sheet at 31 December 2006

| | Note | 2006 £'000 | 2005 £'000 |
|---------------------------------------|------|---------------|---------------|
| Non-current assets | | | |
| Investments in subsidiaries | 2 | <u>267</u> | <u>267</u> |
| Current assets | | | |
| Amounts owed by other group companies | 2 | 1,861 | 1,861 |
| Current liabilities | | | |
| Amounts owed to other group companies | 2 | <u>(551)</u> | <u>(551)</u> |
| Net current assets | | <u>1,310</u> | <u>1,310</u> |
| Net assets | | <u>1,577</u> | <u>1,577</u> |
| Equity | | | |
| Share capital | 3 | - | - |
| Retained earnings | | <u>1,577</u> | <u>1,577</u> |
| Total equity | | <u>1,577</u> | <u>1,577</u> |

For the year ended 31 December 2006, 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 1985, and
- (2) preparing accounts which give a true and fair view of the affairs of the company at 31 December 2006 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 27 April 2007



D J Joyce
Director

The accompanying notes are an integral part of the financial statements

UDT INVESTMENT HOLDINGS LIMITED

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 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.

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 exemption under IAS 27 Consolidated and Separate Financial Statements from the requirement to prepare consolidated financial statements. The company and its subsidiary are included in the consolidated financial statements of the company's ultimate parent company.

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.

(a) Investments in subsidiaries

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

2. Related party transactions

The company's immediate parent company is TSB Commercial Holdings Limited. The company's ultimate parent company is Lloyds TSB Group plc. The company's related parties include other companies in the Lloyds TSB 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 TSB Group and consider that their services to the company are incidental to their other activities within the group.

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Notes to the financial statements (continued)

2. Related party transactions (continued)

Investments in subsidiaries

| | Cost £'000 | Provisions £'000 | Net book value £'000 |
|---------------------|---------------|---------------------|----------------------------|
| At 1 January 2006 | <u>15,049</u> | <u>(14,782)</u> | <u>267</u> |
| At 31 December 2006 | <u>15,049</u> | <u>(14,782)</u> | <u>267</u> |

The company's subsidiaries, all of which have prepared accounts to 31 December and whose results are included in the consolidated accounts of the ultimate parent company, are:

| Name | Shares held | % of share capital held |
|---|-------------|----------------------------|
| Lloydstrust Limited | £1 Ordinary | 100% |
| UDT International Limited | £1 Ordinary | 100% |
| United Dominions Property Trust Limited | £1 Ordinary | 100% |

The subsidiary companies are all non-trading and registered in England & Wales

In the opinion of the directors the net book values of the investments in subsidiary companies, consisting of shares in and amounts owing to and from the company's subsidiaries, is not less than the amount at which the net assets are stated in the subsidiary companies balance sheets

Amounts owed by other group companies

| | 2006 £'000 | 2005 £'000 |
|-----------------------------|---------------|---------------|
| Owed by parent companies | 1,852 | 1,852 |
| Owed by fellow subsidiaries | <u>9</u> | <u>9</u> |
| | <u>1,861</u> | <u>1,861</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.

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Notes to the financial statements (continued)

2. Related party transactions (continued)

Amounts owed to other group companies

| | 2006 £'000 | 2005 £'000 |
|------------------------------|---------------|---------------|
| Owed to subsidiary companies | <u>551</u> | <u>551</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.

3. Share capital

| | 2006 £ | 2005 £ |
|---|------------|------------|
| Authorised, allotted, issued and fully paid | | |
| 100 Ordinary shares of £1 each | 100 | 100 |
| 100 10% cumulative preference shares of £1 each | <u>100</u> | <u>100</u> |
| | <u>200</u> | <u>200</u> |

Lloyds TSB Group plc is 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.