

EVANSVILLE LIMITED

**REPORT AND FINANCIAL STATEMENTS
31 MAY 2004**

Registered office

25 Gresham Street
London EC2V 7HN

Registered number

1598402

Directors

J L Davies (Chairman)
M P Kilbee
D K Potts
S I Rice

Company Secretary

R A Connor

Member of Lloyds TSB Group



EVANSVILLE LIMITED

Report of the directors

Principal activity

The principal activity of the company is the leasing of vehicles, plant and equipment.

Results

The profit after taxation for the year ended 31 May 2004 amounted to £24,000 (2003: £32,000) as set out in the profit and loss account on page 6.

Business review and future developments

The directors consider the level of performance to be in line with expectations and expect the volume of business in the coming year will be similar to that of 2004.

Directors

The names of directors 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:

Shares:

	At 31 May 2004	At 1 June 2003
J L Davies	142,708	141,947
M P Kilbee	33,837	32,709
D K Potts	51,685	50,636
S I Rice	3,129	2,702

EVANSVILLE LIMITED

Report of the directors (continued)

Options to acquire shares:

	At 1 June 2003	During the year		At 31 May 2004
		Granted	Exercised/ Lapsed	
J L Davies	645,573	268,336	-	913,909
M P Kilbee	39,589	19,081	-	58,670
D K Potts	44,910	21,228	-	66,138
S I Rice	256,170	79,308	-	335,478

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

By order of the board



R A Connor
Secretary

11 October 2004

EVANSVILLE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVANSVILLE LIMITED

We have audited the financial statements which comprise the profit and loss account, balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described below, the financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its profit or loss of the company for that period. 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;
- prepare the financial statements on the 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 to 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members 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 in to 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 are properly prepared in accordance with the United Kingdom 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 transactions is not disclosed.

EVANSVILLE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVANSVILLE LIMITED (continued)

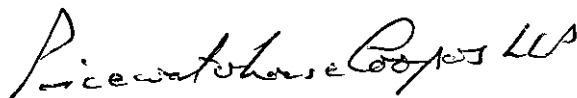
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 judgements 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 of the state of the company's affairs at 31 May 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Southampton

15th October 2004

EVANSVILLE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MAY 2004

		2004 £000	2003 £000
Turnover	Note 1 (b), 2	61	91
Interest payable	3	(20)	(37)
		<hr/>	<hr/>
Gross profit		41	54
Other operating charges		(7)	(9)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	34	45
Taxation on profit on ordinary activities	4	(10)	(13)
		<hr/>	<hr/>
Profit for the financial year		24	32
Dividend – non equity	5	-	-
		<hr/>	<hr/>
Retained profit for the financial year	10, 11	<u>24</u>	<u>32</u>

There are no recognised gains or losses other than those reported above.
All operations are continuing.
The notes on pages 8 to 14 form part of these financial statements

EVANSVILLE LIMITED**BALANCE SHEET - 31 MAY 2004**

		2004 £000	2003 £000
	Note		
DEBTORS: amounts falling due within one year	6	246	341
DEBTORS: amounts falling due after more than one year	6	263	283
		<u>509</u>	<u>624</u>
DEFERRED TAXATION	7	238	270
CREDITORS: amounts falling due within one year	8	(249)	(420)
NET CURRENT ASSETS		498	474
		<u>498</u>	<u>474</u>
NET ASSETS		<u>498</u>	<u>474</u>
CAPITAL AND RESERVES			
Called-up share capital	9	-	-
Profit and loss account	10	498	474
		<u>498</u>	<u>474</u>
Shareholders' funds	11	<u>498</u>	<u>474</u>

Approved by the directors on 11 October

2004 and signed on their behalf by:

D K Potts
Director

The notes on pages 8 to 14 form part of these financial statements.

EVANSVILLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 MAY 2004

1. Accounting Policies

(a) Basis of accounting

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Turnover

Turnover during the year represents net rentals receivable, being the gross rentals receivable less the capital element, and profit or loss on disposals of the assets and any termination income.

(c) Income recognition

Income from leases is credited to the profit and loss account in proportion to the net cash invested using the investment period method.

(d) Finance lease receivables

Finance lease receivables are included in the balance sheet at the amount of the net investment in the lease, which is defined as total future rentals receivable less finance charges allocated to future periods.

(e) Deferred taxation

Full provision is made for deferred tax arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computations, where future payment or receipt is more likely than not to occur. The company is not discounting deferred tax assets and liabilities.

(f) Commissions

Commission payable on new business is allocated to accounting periods using the straight line method over a period of 30 months.

(g) Provisions for bad and doubtful debts

Leases are written off where there is no realistic prospect of recovery. Specific provisions are made to reduce all advances to their net realisable value.

EVANSVILLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) – 31 MAY 2004

(h) Cash flow statement

A cash flow statement is not presented as the company is a wholly owned subsidiary undertaking of Lloyds TSB Group plc, whose financial statements include a consolidated cash flow statement dealing with the cash flows of the group.

(i) Related party disclosures

The company is exempted from reporting intra group related party transactions in accordance with Financial Reporting Standard 8 because it is a wholly owned subsidiary of Lloyds TSB Group plc.

2. Analysis of turnover

	2004 £000	2003 £000
Prime rental receivable	293	282
Depreciation	(319)	(414)
Profit or loss on disposal of assets	<u>87</u>	<u>223</u>
	61	91

3. Profit before taxation

Profit before taxation is stated after charging the following:

	2004 £000	2003 £000
Directors' emoluments	-	-
Auditors' remuneration	-	-
Interest payable on loans from fellow subsidiary companies	20	37

Auditors' remuneration has been borne by a group company.

There were no employees (2003: Nil).

No remuneration was paid or is payable by the company to the directors. The directors are employed by the other companies in the Lloyds TSB group and consider their services to this company are incidental to their other activities within the group.

EVANSVILLE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) – 31 MAY 2004****4. Taxation****(a) Analysis of charge in the year**

	2004 £000	2003 £000
The charge is made up as follows:		
Current tax:		
Group relief receivable on profit for the year	(22)	(37)
Total current tax (note 4b)	<u>(22)</u>	<u>(37)</u>
Deferred tax:		
Origination and reversal of timing differences	32	50
Total deferred tax (note 7)	<u>32</u>	<u>50</u>
Total tax charge on profit on ordinary activities	10	13

(b) Factors affecting the tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK 30% (2003: 30%). The differences are explained below:

	2004 £000	2003 £000
Profit before tax	34	45
Profit multiplied by standard rate of corporation tax in the UK of 30% (2003:30%)	10	13
Effects of:		
Temporary differences between taxable and accounting profit:		
Accelerated capital allowances	(32)	(50)
Permanent differences	0	0
Current tax credit for year (note 4a)	<u>(22)</u>	<u>(37)</u>

EVANSVILLE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) – 31 MAY 2004**

5. Dividends	2004	2003
	£	£

Non equity – Preference

Paid 1.5p (2003:1.5p) per share	3	3
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6. Debtors

2004	2003
£000	£000

Amounts falling due within one year:

Rentals receivable on leased assets	178	288
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Other debtors	12	16
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Group relief receivable	56	37
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<u>246</u>	<u>341</u>
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Amounts falling due after more than one year:

Rentals receivable on leased assets	<u>263</u>	<u>283</u>
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The cost of assets acquired during the year for the purpose of letting under finance leases amounted to £201,518 (2003: £223,888).

EVANSVILLE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) – 31 MAY 2004****7. Deferred taxation**

The movement on the deferred tax asset is as follows:

	2004 £000	2003 £000
At 1 June	270	320
Profit and loss account (note 4a)	(32)	(50)
At 31 May	<u>238</u>	<u>270</u>

The deferred tax asset provided for is made up as follows:

Accelerated capital allowance	227	259
Other timing differences	11	11
	<u>238</u>	<u>270</u>

8. Creditors

	2004 £000	2003 £000
Amounts falling due within one year:		
Accruals and deferred income	17	81
Amounts due to immediate holding company	220	327
Other creditors	12	12
	<u>249</u>	<u>420</u>

EVANSVILLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) – 31 MAY 2004

9. Called up share capital

	<u>2004</u>		<u>2003</u>	
	<u>Authorised</u>	Allotted called-up and fully paid	<u>Authorised</u>	Allotted called-up and fully paid
Equity share capital:	£	£	£	£
Ordinary shares of 25p each - non-voting	950	50	950	50
Non-equity share capital: 6% Preference shares of 25p each - voting	50	50	50	50
	<u>1,000</u>	<u>100</u>	<u>1,000</u>	<u>100</u>

The irredeemable preference shares carry a dividend of 6% per annum, payable half yearly on 20 May and 20 November. The dividend rights are non-cumulative. On a return of assets, whether in a winding up or otherwise, there is a right to a return of capital paid up on the 6% preference shares in priority over the holders of the non-voting ordinary shares, but no further right to participate in profits or assets. The preference shares carry the right to receive notice of and to attend and vote in person on a show of hands at every general meeting and the right to one vote per 6% preference share on a poll thereafter.

10. Profit and loss account

	£000
At 1 June 2003	474
Retained profit for the year	24
At 31 May 2004	<u>498</u>

EVANSVILLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) – 31 MAY 2004

11. Reconciliation of movement in shareholders' funds

	2004 £000	2003 £000
Opening shareholders' funds	474	442
Retained profit for the year	24	32
Closing shareholders' funds	<u>498</u>	<u>474</u>

12. Ultimate parent company

The company regarded by the directors as the ultimate company is Lloyds TSB Group plc, which is also the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member. Lloyds TSB Scotland plc is the parent undertaking of the smallest such group of undertakings.

Copies of the financial statements of Lloyds TSB Scotland plc are available from the Secretary, Henry Duncan House, 120 George Street, Edinburgh EH2 4LH.

Copies of the financial statements of Lloyds TSB Group plc are available from the Secretary, 25 Gresham Street, London EC2V 7HN.