

Registered Number 2135619

HALIFAX QUEST TRUSTEES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008



HALIFAX QUEST TRUSTEES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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HALIFAX QUEST TRUSTEES LIMITED

DIRECTORS AND COMPANY INFORMATION

DIRECTORS

A D C Turnbull
S Mayer

COMPANY SECRETARY

K Melville

REGISTERED OFFICE

Trinity Road
Halifax
West Yorkshire
HX1 2RG

HALIFAX QUEST TRUSTEES LIMITED

DIRECTORS'S REPORT

The Directors present their Report and Financial Statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITY, RESULTS AND DIVIDEND

The Company has not traded during the year and has therefore received no income and incurred no expenditure. Consequently, the Company made neither a profit nor a loss. The Directors do not recommend the payment of a dividend.

AUDITORS

Having satisfied the provisions of Section 249AA of the Companies Act 1985 relating to dormant companies the Company has not appointed auditors.

By order of the Board



K Melville
Company Secretary

17/4/2009

Trinity Road
Halifax
HX1 2RG

HALIFAX QUEST TRUSTEES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	2008 £	2007 £
CURRENT ASSETS			
Debtors: amounts owed by parent Undertaking		<u>2</u>	<u>2</u>
EQUITY			
Issued capital		<u>2</u>	<u>2</u>

The Company was dormant throughout the year and the Directors make the following statements:

- a) For the year ended 31 December 2008 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- b) Members have not required the Company to obtain an audit in accordance with section 249(B) of the Companies Act 1985.
- c) The Directors acknowledge their responsibility for:
 - i) ensuring the Company keeps accounting records which comply with section 221, and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to the accounts, so far as applicable to the Company.

These Financial Statements were approved by the Board of Directors on 17 APRIL 2009 and were signed on its behalf by:



S Mayer
Director

The notes on pages 5 to 6 form part of these Financial Statements.

HALIFAX QUEST TRUSTEES LIMITED

PROFIT AND LOSS ACCOUNT

During the financial year the Company received no income and incurred no expenditure and consequently there is neither a profit nor a loss to report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

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

2 ISSUED SHARE CAPITAL

	2008	2007
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

At 31 December 2008 the authorised share capital comprised 100 ordinary shares of £1 each (2007: 100 £1 ordinary shares)

3. POST BALANCE SHEET EVENTS

On 7 March 2009, the Company's ultimate parent undertaking, Lloyds Banking Group plc ("LBG"), announced its intention to participate in the Government's Asset Protection Scheme. LBG intends to participate in the Scheme in respect of assets and exposures on its consolidated balance sheet with an aggregate book value of approximately £250bn and will pay a fee to HM Treasury of £15.6bn which will be amortised over an estimated 7 year period. The proceeds of this fee will be applied by HM Treasury in subscribing for an issue of "B" shares of LBG, carrying a dividend of the greater of 7 per cent per annum and 125 per cent of the dividend on ordinary shares.

LBG has also agreed to replace the £4bn of preference shares held by HM Treasury with new ordinary shares which will be offered to eligible LBG shareholders pro rata to their existing shareholdings at a fixed price of 38.43 pence per ordinary share. These new ordinary shares will be offered to shareholders and new investors on the same basis as the Placing and Open Offer in November 2008. The ordinary share offer is fully underwritten by HM Treasury on substantially the same fee basis as the Placing and Open Offer conducted in November 2008. Participation in the Scheme and the replacement of the preference shares is subject to approval by eligible LBG shareholders

4. ULTIMATE PARENT UNDERTAKING

As at 31 December 2008 the Company's immediate parent company was Bank of Scotland plc. The company regarded by the directors as the ultimate parent company at 31 December 2008 was HBOS plc, a limited liability company incorporated and domiciled in Scotland, which was 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.

From 16th January 2009, Halifax Quest Trustees Limited's ultimate parent undertaking and controlling party is Lloyds Banking Group plc (formerly Lloyds TSB Group) which is incorporated in Scotland. Lloyds Banking Group plc will produce consolidated accounts for the year ended 31 December 2009. Copies of the annual report and accounts of Lloyds TSB Group plc for the year ended 31 December 2008 may be obtained from Lloyds Banking Group's head office at 25 Gresham Street, London EC2V 7HN.

Prior to the 16th January 2009, HBOS plc was the ultimate parent undertaking of Halifax Quest Trustees Limited. Copies of the annual report and accounts of HBOS plc for the year ended 31 December 2008 may be obtained from HBOS plc's registered office at The Mound, Edinburgh EH1 1YZ.