UBERIOR FUND HOLDINGS LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

MEMBER OF LLOYDS BANKING GROUP

Company Number SC336918

Directors
G D Cohen
G J McDonald
A Nisbet

Secretary
Lloyds Secretaries Limited

Registered office
Level 1
Citymark
150 Fountainbridge
Edinburgh
EH3 9PE

Independent Auditors
PricewaterhouseCoopers LLP
Erskine House
68-73 Queen Street
Edinburgh
EH2 4NH

Bankers
Bank of Scotland plc
Head Office
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Edinburgh
EH1 1YZ

DIRECTORS' REPORT
For the year ended 31 December 2012

The Directors, as listed on page 1, submit their report and audited financial statements of Uberior Fund Holdings Limited ("the Company") for the year ended 31 December 2012. The Company has not traded during the year.

Incorporation
The Company was incorporated on 30 January 2008.

Principal activities and review of business
The Company operates as an investment holding company and there has been no change in that activity during the year. During the year the Company disposed of one of its subsidiaries at its carrying value of £1. It also acquired five subsidiaries during the year for £6. These transactions account for the increase in net assets of £5 to £12 (2011: £7). The Directors do not anticipate any material change in either the type or level of activities of the Company.

Income Statement for the year 31 December 2012
The Company has not traded during either the current or preceding financial year. During these years, the Company received no income and incurred no expenditure and therefore made neither a profit nor a loss.

Future developments
The Company is a holding company and will continue as such in the future.

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 the understanding of the development, performance or position of the business.

Risk management
The key risks and uncertainties faced by the Company are managed within the framework established for the Lloyds Banking Group plc group of companies ("the LBG Group"). During the current and preceding year the Company was not exposed to any significant credit, market or liquidity risk. Supplementary qualitative and quantitative information is provided in Note 11 to the Financial Statements.

Going concern
As set out in Note 3 - 'Principles underlying going concern assumption' of the Notes to the Financial Statements, the Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future and consequently the going concern basis continues to be appropriate in preparing the financial statements.

Directors' indemnities
The Directors have the benefit of a contract of indemnity which constitutes a "qualifying third party indemnity provision". This contract was in force during the financial year and remains in force.

Directors
The Directors at the date of this report are as stated on page 1. The Directors dates of appointment or resignation during the year, or subsequent to the year end, are as follows:

Director	Date of appointment	Date of resignation
K M Bothwell	-	2 July 2012
P S Dickson	2 July 2012	22 May 2013
G D Cohen	22 May 2013	-
A Nisbet	30 October 2012	-

The other Director served throughout the year.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2012

Post balance sheet events
Subsequent to the balance sheet date the Company has subscribed for shares in three additional subsidiary undertakings.

In addition to this, the Company has also increased its own authorised and issued share capital to allow it to meet its obligations for its investment in subsidiary undertakings. Refer to Note 14 Post balance sheet events for further information.

Independent Auditors and disclosure of information to auditors
Each Director in office at the date 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
- the Director has taken all the steps that they ought to have taken as a director in order to make themselves 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 the provisions of Section 418 of the Companies Act 2006.

Statement of Directors' responsibilities
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2012

Statement of Directors' responsibilities (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Section 418 of the Companies Act 2006, in the case of each Director in office at the date of the Report of Directors is approved:

(a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he/she has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board,

G J McDonald
Director
26 September 2013

Company Number SC336918

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UBERIOR FUND HOLDINGS LIMITED

We have audited the financial statements of Uberior Fund Holdings Limited for the year ended 31 December 2012 which comprise the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of Directors and auditors

As explained more fully in the Statement of Directors' responsibilities set out on pages 3 and 4 the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2012;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark Hoskyns-Abrahall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

27 September 2013

BALANCE SHEET
As at 31 December 2012

	Note	2012 £	2011 £
Assets			
Non-current assets			
Investments in subsidiary undertakings	*7*	**11**	6
Total non-current assets		**11**	6
Current assets			
Amounts due from parent undertaking	*8*	**1**	1
Total current assets		**1**	1
Total assets		**12**	7
Equity			
Share capital	*9*	**1**	1
Total equity		**1**	1
Liabilities			
Current liabilities			
Amounts due to related undertakings	*10*	**11**	6
Total current liabilities		**11**	6
Total liabilities		**11**	6
Total equity and liabilities		**12**	7

The notes on pages 8 to 15 are an integral part of these financial statements.

Approved by the Board of Directors and signed on its behalf by:

Graham J McDonald

G J McDonald
Director
26 September 2013

Company Number SC336918

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2012

	Share capital £	Total equity £
Balance at 31 December 2011 and 2012	**1**	**1**

The notes on pages 8 to 15 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2012

1. Significant accounting policies

Uberior Fund Holdings Limited ("the Company") is a company incorporated and domiciled in Scotland.

The financial statements were authorised for issue by the Directors on 26 September 2013.

(a) Financial statements

The financial statements of Uberior Fund Holdings Limited comprise the Balance Sheet and the Statement of Changes in Equity together with the related notes to the financial statements.

(b) Statement of compliance

The 2012 statutory financial statements set out on pages 5 to 15 have been prepared in accordance with International Financial Reporting Standards ('IFRS') and interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') as adopted by the European Union. The standards applied by the Company are those endorsed by the European Union and effective at the date the financial statements are approved by the Board. Consequently, the financial statements comply with International Financial Reporting Standards.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(c) Basis of preparation

The financial statements have been prepared under the historical cost basis and in accordance with the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements are presented in Sterling which is the Company's functional and presentation currency.

The Company has adopted the following new standards and amendments to standards which became effective for financial years beginning on or after 1 January 2012. Neither of these standards or amendments to standards has had a material impact on these financial statements.

- *Disclosures – Transfers of Financial Assets (Amendments to IFRS 7)*. Requires disclosures in respect of all transferred financial assets that are not derecognised in their entirety and transferred assets that are derecognised in their entirety but with which there is continuing involvement.
- *Deferred Tax: Recovery of Underlying Assets (Amendment to IAS 12)*. Introduces a rebuttable presumption that investment property measured at fair value is recovered entirely through sale and that deferred tax in respect of such investment property is recognised on that basis.

(d) IFRS and IFRIC not yet applied

The following pronouncements may have a significant effect on the Company's financial statements but are not applicable for the year ended 31 December 2012 and have not been applied in preparing these financial statements. Save as disclosed below, the full impact of these accounting changes is being assessed by the Company.

Pronouncement	Nature of change	IASB effective date
IFRS 12 *Disclosure of Interests in Other Entities*	Requires an entity to disclose information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.	Annual periods beginning on or after 1 January 2013.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

1. Significant accounting policies (continued)

(e) Investments in subsidiary undertakings

Subsidiaries include entities over which the Company has the power to govern the financial and operating policies which generally accompanies a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Details of the principal subsidiaries are given in Note 7 to the Financial Statements.

Investments in subsidiaries are included in the Company's financial statements. These comprise equity investments in, and capital contributions to subsidiary entities. These are carried at cost less impairment provisions. At each reporting date an assessment is undertaken to determine if there is any indication of impairment. This assessment can include reviewing factors such as the solvency, profitability and cash flows generated by the subsidiary. If there is an indication of impairment, an estimate of the recoverable amount is made. If the carrying value exceeds the recoverable amount then a provision for impairment is made to reduce the carrying value to the recoverable amount.

(f) Financial assets

(i) Classification

The Company determines the classification of its financial assets at initial recognition. The classification depends on the purpose for which the financial assets were acquired. The Company has classified its financial assets into the following categories: loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise of 'amounts due from parent undertaking' in the balance sheet (Note 1(i)).

(ii) Recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method less provision for impairment.

(g) Financial liabilities

(i) Classification

The Company determines the classification of its financial liabilities at initial recognition. The classification depends on the purpose for which the financial liabilities were issued. The Company has classified its financial liabilities in the following category: other financial liabilities.

Other financial liabilities

Other financial liabilities are included in current liabilities, except for maturities greater than 12 months after the reporting date. These are classified as non-current liabilities. The Company's other financial liabilities comprise of 'amounts due to related undertakings' in the balance sheet (Note 1(k)).

(ii) Recognition and measurement

Other financial liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. A financial liability is removed from the balance sheet when it is extinguished, that is when the obligation is discharged, cancelled or expired.

Other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

1. Significant accounting policies (continued)

(h) Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

At the end of each reporting period the Company assesses whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indicator exists, and there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment was recognised, the previously recognised impairment loss is reversed through the income statement. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Trade and other receivables
Trade and other receivables, including amounts due from parent undertaking, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. If recovery of trade and other receivables is expected within one year or less they are classified as current assets, otherwise they are classified as non-current assets.

(j) Share capital
Ordinary shares are classified as equity. Called up share capital is determined using the nominal value of shares that have been issued.

(k) Trade and other payables
Trade and other payables, including amounts due to related undertakings, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2. Critical accounting estimates and judgements
The preparation of financial statements requires management to make judgements, estimates and assumptions in applying the accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ from those estimates. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty in these financial statements, which together are deemed critical to the Company's results and financial position, are discussed below.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

2. Critical accounting estimates and judgements (continued)

Critical judgements in applying the entity's accounting policies
No significant judgements have been made in the process of applying the Company's accounting policies.

Critical accounting estimates and assumptions
The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of investments
As explained in the accounting policy, investment securities are continually reviewed at the specific investment level for impairment. Impairment is recognised when there is objective evidence that a specific financial asset is impaired. Objective evidence of impairment might include a significant or prolonged decline in market value below the original cost of a financial asset.

The disappearance of active markets, declines in market value and ratings downgrades do not in themselves constitute objective evidence of impairment and the determination of whether or not objective evidence of impairment is present at the balance sheet date requires the exercise of management judgement.

3. Going concern – Principles underlying going concern assumption

The Directors consider the Company to have adequate resources to continue in business for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

4. Income Statement

The Company did not trade during either the current or preceding year. Consequently, the Company has made neither a profit nor a loss and there is no tax payable / receivable from the current or prior year activities, therefore no Income Statement is presented.

For the years ended 31 December 2012 and 31 December 2011, the financial statements audit fee has been accrued and paid centrally by Lloyds Banking Group, which makes no recharge to the Company.

The Company has no employees. The Directors, who are considered to be key management, received no remuneration in respect of their services to the Company. The emoluments of the Directors are paid by a fellow group undertaking on behalf of the ultimate parent, Lloyds Banking Group plc, which makes no recharge to the Company. The Directors are also directors of a number of other subsidiaries of Lloyds Banking Group and are also substantially engaged in managing their respective business areas within Lloyds Banking Group. Given this, it is not possible to make an accurate apportionment of Directors' emoluments in respect of their services to each of the subsidiaries. Accordingly, these financial statements include no emoluments in respect of the Directors.

The total emoluments of the Directors are included in the financial statements of the ultimate parent company, Lloyds Banking Group plc.

5. Statement of Comprehensive Income

The Company did not trade during either the current or preceding year. Consequently, the Company has made neither a profit nor a loss and therefore no Statement of Comprehensive Income is presented.

6. Statement of Cash Flows

The Company has no cash flows in either the current or preceding year therefore no Statement of Cash Flows is presented.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

7. Investments in subsidiary undertakings

	2012	2011
	£	£
At 1 January	6	2
Additions	6	4
Disposals	(1)	-
At 31 December	11	6

During 2012 the Company disposed of one of its subsidiaries, Uberior Infrastructure Investments (Southmead) Limited (formerly known as Uberior ISAF CIP GP 2 Limited and then Uberior GP Limited).

Details of the Company's subsidiary undertakings are noted below:

Name of subsidiary	% of ordinary shares held	Principal business	Country of incorporation	Reporting date of financial statements
BOSEMP GP Limited	100	General Partner	UK	31 December
Lloyds Bank European Infrastructure Carry GP Limited	100	General Partner	UK	31 December
Lloyds Bank European Infrastructure Carry Limited	100	Limited Partner	UK	31 December
Lloyds Bank European Infrastructure GP Limited	100	General Partner	UK	31 December
Lloyds Bank UK Infrastructure Carry GP Limited	100	General Partner	UK	31 December
Lloyds Bank UK Infrastructure Carry Limited	100	Limited Partner	UK	31 December
Lloyds Bank UK Infrastructure GP Limited	100	General Partner	UK	31 December
Uberior GP 1 Limited	100	General Partner	UK	31 December
Uberior GP 2 Limited	100	General Partner	UK	31 December

The proportion of voting rights in the subsidiary undertakings held directly by the Company do not differ from the proportion of ordinary shares held.

8. Amounts due from parent undertaking

	2012	2011
	£	£
Uberior Investments Limited - unpaid share capital	1	1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

9. Share capital

Capital risk management

The distributable reserves of the Company are managed through the Lloyds Banking Group Capital and Funding Policy in order to maximise capital efficiency within the Lloyds Banking Group. Dividends are paid from reserves available for distribution to the parent undertaking as reported by the previously approved annual financial statements according to parameters set out at a Lloyds Banking Group level so as to avoid any build up of reserve balances within the Company.

	Ordinary shares 2012 £	Ordinary shares 2011 £
In issue at 31 December – unpaid	**1**	1

At 31 December 2012, the authorised share capital comprised 100 ordinary shares of £1 each (2011: 100).

The holder of the ordinary share is entitled to receive dividends as declared from time to time and is entitled to vote at meetings of the Company.

10. Amounts due to related undertakings

	2012 £	2011 £
BOSEMP GP Limited	**1**	1
Lloyds Bank European Infrastructure Carry GP Limited	**1**	1
Lloyds Bank European Infrastructure Carry Limited	**1**	1
Lloyds Bank European Infrastructure GP Limited	**2**	2
Lloyds Bank UK Infrastructure Carry GP Limited	**1**	-
Lloyds Bank UK Infrastructure Carry Limited	**1**	-
Lloyds Bank UK Infrastructure GP Limited	**2**	-
Uberior GP 1 Limited	**1**	-
Uberior GP 2 Limited	**1**	-
Uberior Infrastructure Investments (Southmead) Limited (formerly known as Uberior ISAF CIP GP 2 Limited and then Uberior GP Limited)	**-**	1
	11	6

During the year ended 31 December 2012 the Company transferred its holding in its subsidiary undertaking, Uberior Infrastructure Investments (Southmead) Limited (formerly known as Uberior ISAF CIP GP 2 Limited and then Uberior GP Limited) to a fellow subsidiary, Uberior Infrastructure Investments (No 5) Limited.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

11. Financial instruments

The Company's activities expose it to a variety of financial risks: credit risk, market risk (including interest rate risk, foreign exchange risk, and equity risk) and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management within Lloyds Banking Group ('the Group') is carried out by a central treasury department (Group Treasury). Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Group provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Credit risk

Credit risk is the risk of financial loss from a counterparty's failure to settle financial obligations as they fall due. Credit exposures arise in the normal course of the Company's business, from trade and other receivables with other Group companies. As such, the Company does not consider itself to have any significant exposure to credit risk.

The table below sets out the maximum exposure to credit risk at the Balance Sheet date.

		2012	2011
On Balance Sheet:	***Note***	**£**	£
Amounts due from parent undertaking	*8*	**1**	1

Trade and other receivables are carried at amortised cost, whereby any indication of impairment would result in an immediate write-down of the carrying value. These instruments have an internal credit rating of satisfactory (2011: satisfactory) as they consist of an inter-company balance with a fellow subsidiary of Lloyds Banking Group plc. At the reporting date this balance was not considered past due or impaired.

Market risk

Market risk is defined as the potential loss in value or earnings of the Company arising from changes in external market factors such as:

- Interest rates (interest rate risk)
- Foreign exchange rates (foreign exchange risk)
- Equity markets (equity risk)

Interest rate risk

Interest rate risk exists where the Company's financial assets and liabilities have interest rates set under different bases, or which reset at different times. The Company does not have any significant interest rate exposure.

Foreign exchange risk

Foreign exchange risk arises on investments and monetary financial assets (included in cash and cash equivalents) and borrowings denominated in a currency other than Sterling. The main operations of the Company are denominated in Sterling, and therefore the Company does not have any exposure to foreign exchange risk.

Equity risk

Equity risk arises from investments in listed and unlisted equity shares. The Company has no listed or unlisted equity shares therefore no sensitivity to equity risk is considered to exist.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2012

11. Financial instruments (continued)

Liquidity risk
Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations when they fall due, or will have to do so at excessive cost. This risk can arise from mismatches in the timing of cash flows relating to assets, liabilities and off-balance sheet instruments. Overall liquidity of the Lloyds Banking Group is managed centrally.

The table below sets out the cash flows payable by the Company in respect of financial liabilities, by remaining contractual undiscounted repayments of principal and interest at the balance sheet date.

As at 31 December 2012	**Up to 1 month**	**1-3 months**	**3-12 months**	**1-5 years**	**Over 5 years**	**Total**
On balance sheet	**£**	**£**	**£**	**£**	**£**	**£**
Amounts due to related undertakings	**11**	**-**	**-**	**-**	**-**	**11**
Total liabilities	**11**	**-**	**-**	**-**	**-**	**11**

As at 31 December 2011	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
On balance sheet	£	£	£	£	£	£
Amounts due to related undertakings	6	-	-	-	-	6
Total liabilities	6	-	-	-	-	6

12. Related parties
The Company's immediate parent undertaking is Uberior Investments Limited.

The Company has a related party balance with its immediate parent, as disclosed in Note 8 to the Financial Statements. The Company also has related party balances with its subsidiaries as disclosed in Note 10 to the Financial Statements.

The Company has no other transactions with related parties.

13. Parent undertakings
As at 31 December 2012 the Company's immediate parent company was Uberior Investments Limited. The ultimate parent undertaking and controlling party is Lloyds Banking Group plc (formerly Lloyds TSB Group), a company incorporated in Scotland. Lloyds Banking Group plc is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2012. The annual report and accounts of Lloyds Banking Group plc are available from 25 Gresham Street, London, EC2V 7HN. Bank of Scotland plc is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The annual report and accounts of Bank of Scotland plc can be obtained from The Mound, Edinburgh EH1 1YZ.

14. Post balance sheet events
In January 2013, the Company subscribed to the initial share capital of Lloyds Bank Global Infrastructure GP Limited of two £1 shares for £2.

In February 2013, the Company subscribed to the initial share capital of Lloyds Bank Global Infrastructure Carry GP Limited of one £1 share for £1.

In June 2013, the Company increased its authorised share capital to 12,700 ordinary shares of £1 each and issued a further 12,699 shares to its immediate parent Uberior Investments Limited. The Company also subscribed for additional shares in its existing subsidiaries as follows:

- 249 £1 shares in Lloyds Bank European Infrastructure Carry Limited for £249;
- 998 £1 shares in Lloyds Bank European Infrastructure GP Limited for £998;
- 998 £1 shares in Lloyds Bank UK Infrastructure GP Limited for £998;
- 399 £1 shares in Lloyds Bank UK Infrastructure Carry Limited for £399.

In June 2013, the Company acquired the entire share capital of Lloyds Bank Global Infrastructure GP Limited of 1 AUD $1 share for AUD $1 and 9,999 £1 shares for £9,999.