Barclays Metals Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

REGISTERED NUMBER 330591

Barclays Metals Limited
Directors' Report and Financial Statements
Year ended 31 December 2014

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Barclays Metals Limited
Directors' Report
For the year ended 31 December 2014

The Directors present their annual report together with the audited financial statements of Barclays Metals Limited (the 'Company') for the year ended 31 December 2014

Profits and dividends

During the year the Company made a profit after taxation of £107,000 (2013 £69,000) An interim dividend of £1,300,000 was paid on 30 June 2014 The Directors do not recommend the payment of a final dividend

Post Balance Sheet Events

The Company has two subordinated loans to Barclays Bank PLC comprising a £11,250,000 loan due on 15 May 2015 and a £7,000,000 loan due on 30 December 2028

The £11,250,000 loan has matured and settled on 15 May 2015 The £7,000,000 loan has been approved by the Prudential Regulation Authority on 15 May 2015 for early settlement by Barclays Bank PLC It is expected that Barclays Bank PLC will provide written notice to the Company for settlement of the loan within the year 2015

Directors

The Directors of the Company, who served during the year and up to the date of signing of the financial statements, together with their dates of appointment and resignation, where appropriate, are as shown below

M Beniwal	
M Whitehead	(Resigned on 17 April 2015)
A Nath	(Resigned on 20 May 2014)
M Krishna	(Appointed on 16 January 2015)

Going concern

It is expected that the Company will be liquidated in the near future For this reason, the Directors no longer regard the going concern basis of accounting to be appropriate, and the financial statements of the Company have been prepared on a basis other than going concern Adjustments have been made to the financial statements to reclassify non-current assets to current assets No adjustments were necessary in these financial statements to reduce assets to their realisable values or to provide for liabilities arising from the decision to liquidate the Company

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the Auditors' report set out on page 4 is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and the Auditors in relation to the accounts

The Directors are required by the Companies Act 2006 to prepare financial statements for each financial year The Directors have prepared the accounts in accordance with International Financial Reporting Standards ('IFRS') as adopted by the EU The accounts are required by law and IFRS to present fairly the financial position of the Company and the performance for that period The Companies Act 2006 provides, in relation to such accounts, that references to accounts giving a true and fair view are references to fair presentation

Barclays Metals Limited
Directors' Report
For the year ended 31 December 2014

The Directors consider that in preparing the financial statements on pages 7 to 22

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and

- that all the accounting standards which they consider to be applicable have been followed, and

- that the financial statements have been prepared on a basis other than going concern

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with the Companies Act 2006

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

Financial instruments

Barclays financial risk management objectives and policies, which are followed by the Company, including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and the exposure to market risk, credit risk and liquidity risk set out in the note 'Financial Risk' on pages 18 to 21

Directors third party indemnity provisions

Qualifying third party indemnity provisions were in force during the course of the financial year ended 31 December 2014 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties, powers or office

Independent auditors

PricewaterhouseCoopers LLP will continue to hold office in accordance with section 487 of the Companies Act 2006

Statement of disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's Auditors are unaware The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information

BY ORDER OF THE BOARD

M Krishna
Director

19 June 2015
Company number 330591

Barclays Metals Limited
Strategic Report
For the year ended 31 December 2014

Principal activity and business review

While the Company was established for the purpose of buying and selling of physical metal and derivatives, there were no such activities during 2014

Business performance

During the year the Company made £107,000 profit after tax (2013 £69,000) The Company has total assets of £18,250,000 (2013 £18,264,000)

Future outlook

It is expected that the Company will be liquidated in the near future

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Barclays PLC group and are not managed separately Accordingly, the principal risks and uncertainties of Barclays PLC, which include those of the Company, are discussed in section 3 (Risk Factors) pages 113 to 220 of the Group's 2014 annual report which does not form part of this report Further details of the Company's risk management policies are discussed in Note 12

Key performance indicators

The Directors of Barclays PLC manage the group's operations on a business cluster basis For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company The development, performance and position of the Company, is discussed in pages 222 to 223 Key Performance Indicators of the Barclays PLC annual report which does not form part of this report

BY ORDER OF THE BOARD

M Krishna
Director

19 June 2015
Company number 330591

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS METALS LIMITED

Report on the financial statements

Our opinion

In our opinion, Barclays Metals Limited's financial statements (the "financial statements")

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its profit and cash flows for the year then ended,
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 3 to the financial statements concerning the basis of preparation Following the year end the Directors have decided that the Company will cease trading in the near future Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in Note 3 to the financial statements Adjustments have been made to the financial statements to reclassify non-current assets to current assets No adjustments were necessary in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision, or to reclassify long-term liabilities as current liabilities

What we have audited

Barclays Metals Limited's financial statements comprise

- the balance sheet as at 31 December 2014,
- the statement of comprehensive income for the year then ended,
- the cash flow statement for the year then ended,
- the statement of changes in equity for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and IFRSs as adopted by the European Union

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates In making such estimates, they have made assumptions and considered future events

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit, or
- 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

We have no exceptions to report arising from this responsibility

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 1, 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) ("ISAs (UK & 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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland) 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

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements

Barclays Metals Limited
Independent Auditors' Report
For the year ended 31 December 2014

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both

In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Tamsin Parker

Tamsin Parker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
Date 22/06/15

Barclays Metals Limited
Statement of Comprehensive Income
For the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Discontinued operations:			
Finance income	4	136	90
Profit before taxation		136	90
Taxation	7	(29)	(21)
Profit after taxation		107	69
Total comprehensive income for the year		107	69

All recognised gains and losses are included in the Statement of Comprehensive Income There are no other items of comprehensive income apart from profit after tax and hence total comprehensive income is £107,000 (2013 £69,000)

The accompanying notes from pages 11 to 22 form an integral part of these financial statements

Barclays Metals Limited
Balance Sheet
As at 31 December 2014

	Note	2014 £'000	2013 £'000
ASSETS			
Current assets			
Loans to parent undertaking	8	18,250	18,250
Trade and other receivables	9	-	14
Total assets		18,250	18,264
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	10	5,562	4,383
Total liabilities		5,562	4,383
Equity			
Share capital	11	12,500	12,500
Retained earnings		188	1,381
Total equity		12,688	13,881
Total liabilities and equity		18,250	18,264

The accompanying notes from pages 11 to 22 form an integral part of the financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 17 June 2015 and were signed on its behalf by

M Krishna
Director

19 June 2015
Company number 330591

Barclays Metals Limited
Statement of Changes in Equity
For the year ended 31 December 2014

	Share Capital £'000	Retained Earnings £'000	Total Equity £'000
Balance at 31 December 2013	12,500	1,381	13,881
Total comprehensive income for the year	-	107	107
Dividends paid		(1,300)	(1,300)
Balance at 31 December 2014	12,500	188	12,688

For the year ended 31 December 2013

	Share Capital £'000	Retained Earnings £'000	Total Equity £'000
Balance at 31 December 2012	12,500	1,312	13,812
Total comprehensive income for the year	-	69	69
Balance at 31 December 2013	12,500	1,381	13,881

The accompanying notes from pages 11 to 22 form an integral part of the financial statements

Barclays Metals Limited
Cash Flow Statement
For the year ended 31 December 2014

	2014 £'000	2013 £'000
Discontinued operations·		
Profit before taxation	136	90
Changes in operating assets and liabilities		
Net decrease in trade and other receivables	14	3
Net increase/(decrease) in trade and other payables	1,171	(65)
Taxes paid	(21)	(28)
Net cash used in operating activities	1,164	(90)
Dividends paid	(1,300)	-
Net cash used in financing activities	(1,300)	-
Net increase in cash and cash equivalents	-	-
Cash equivalents at the beginning and end of the year	-	-

The Company does not have a bank account, and as such all transactions are settled by fellow group companies with a resulting movement in amounts outstanding with those group companies

The accompanying notes from pages 11 to 22 form an integral part of the financial statements

1 Reporting entity

These financial statements are prepared for Barclays Metals Limited (the "Company"), the principal activity of which is the buying and selling of physical metal and derivatives, though there were no such activities during 2014 The financial statements are prepared for the Company only. The Company is a wholly owned subsidiary of Barclays Physical Trading Limited and its ultimate parent company is Barclays PLC

The parent undertaking of the smallest group that presents consolidated financial statements is Barclays Bank PLC and the ultimate holding company and the parent undertaking of the largest group that presents group financial statements in Barclays PLC, both of which prepare consolidated financial statements in accordance with the International Financial Reporting Standards ('IFRS'), and accordingly consolidated financial statements have not been prepared

The Company is a private limited company domiciled and incorporated in the United Kingdom The address of the registered office of the Company is 1 Churchill Place, London E14 5HP

2 Compliance with International Financial Reporting Standards

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations (IFRICs) issued by the Interpretations Committee, as published by the International Accounting Standards Board (IASB) They are also in accordance with IFRS and IFRIC interpretations endorsed by the European Union. The principal accounting policies applied in the preparation of the consolidated and individual financial statements are set out below, and in the relevant notes to the financial statements These policies have been consistently applied.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of financial statements are set out below These policies have been consistently applied

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include the fair valuation of certain financial instruments to the extent required or permitted under IAS 39, 'Financial Instruments, Recognition, and Measurement' as set out in the relevant accounting policies They are presented in thousands of Pounds Sterling (£'000), the currency of the country in which the Company is incorporated.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates It also requires management to exercise judgement in the process of applying the accounting policies The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements

3. **Summary of significant accounting policies (continued)**

Basis of preparation (continued)

Going concern

The Company expects early settlement of its 30 year subordinated loan of £7,000,000 to Barclays Bank PLC It is expected that the Company will be liquidated in the near future For this reason, the Directors no longer regard the going concern basis of accounting to be appropriate, and the financial statements for the year ended 31 December 2014 of the Company have been prepared on a basis other than going concern, whereby all assets are classified as current and current tax assets are measured at their estimated recoverable amount Adjustments have been made to the financial statements to reclassify non-current assets to current assets No adjustments were necessary in these financial statements to reduce assets to their realisable values or to provide for liabilities arising from the decision to liquidate the Company

a) Standards, amendments and interpretations effective on or after 1 January 2014

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2014

Standard / Interpretation	Content	Applicable for financial years beginning on / after
IAS 32	Financial instruments Presentation – Offsetting Financial Assets and Financial Liabilities	1 January 2014

IAS 32, Amendment 'Financial instruments· Presentation – Offsetting Financial Assets and Financial Liabilities'

This clarifies some of the requirements for offsetting financial assets and offsetting financial liabilities on the balance sheet It clarifies that the right of set-off must not be contingent on a future event It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy The amendment also considers settlement mechanisms As a disclosure only standard, it has no financial impact

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the Company

b) Standards and interpretations issued but not yet effective

Standard / Interpretation	Content	Applicable for financial years beginning on / after
IFRS 9	Financial Instruments	1 January 2018

3 Summary of significant accounting policies (continued)

Basis of preparation (continued)

b) Standards and interpretations issued but not yet effective (continued)

IFRS 9, 'Financial Instruments' (continued)

In 2014, the IASB issued IFRS 9, Financial Instruments which will replace IAS 39 Financial Instruments Recognition and Measurement It will lead to significant changes in the accounting for financial instruments The key changes relate to

- Financial assets Financial assets will be held at either fair value or amortised cost, except for equity investments not held for trading, which may be held at fair value through other comprehensive income,
- Financial liabilities Gains and losses on fair value changes in own credit arising on non-derivative financial liabilities designated at fair value through profit or loss will be excluded from the income statement and instead taken to other comprehensive income,
- Impairment Credit losses expected at the balance sheet date (rather than only losses incurred in the year) on loans, debt securities and loan commitments not held at fair value through profit or loss will be reflected in impairment allowances, and
- Hedge accounting Hedge accounting will be more closely aligned with financial risk management

Adoption is not mandatory until periods beginning on or after 1 January 2018 The standard has not been endorsed by the EU At this stage, it is not possible to determine the potential financial impacts of adoption on the Company

c) Foreign currency translation

The financial statements are presented in thousands of Pounds Sterling (£ 000), the currency of the primary economic environment in which the entity operates

Foreign currency transactions are translated into Pounds Sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the year end Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in the statement of comprehensive income

Non-monetary assets that are measured at fair value are translated using the exchange rate at the date the fair value was determined

d) Dividends

Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholder(s)

3 Summary of significant accounting policies (continued)

Basis of preparation (continued)

e) Interest

Interest income or expense is recognised on all interest bearing financial instruments classified as held to maturity, available for sale or loans and receivables using the effective interest method

The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument The application of the method has the effect of recognising income (or expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment

f) Current taxation

Income tax payable on taxable profits ('current tax'), is recognised as an expense in the period in which the profits arise Income tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as recoverable by offset against current year or prior year taxable profits

Current tax assets and liabilities are only offset where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously with the same tax authority

g) Financial assets and liabilities

The Company recognises financial instruments from the trade date, and continues to recognise them until, in the case of assets, the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership, or in the case of liabilities, until the liability has been settled, extinguished or has expired

Financial assets and liabilities are initially recognised at fair value and then classified in the following categories and dealt with in the financial statements as follows

Loans and other receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as available for sale Loans and receivables are initially recognised at fair value including direct and incremental transaction costs They are subsequently valued at amortised cost, using effective interest method They are derecognised when the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership

Regular way purchases and sales of loans and receivables are recognised on contractual settlement

3 Summary of significant accounting policies (continued)

Basis of preparation (continued)

g) Financial assets and liabilities (continued)

Financial liabilities

Financial liabilities are measured at amortised cost, except trading liabilities and liabilities designated at fair value, which are held at fair value through profit or loss Financial liabilities are derecognised when extinguished

Impairment of financial assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a portfolio of financial assets carried at amortised cost is impaired The factors that the Company takes into account include significant financial difficulties of the debtor or the issuer, a breach of contract or default in payments, the granting by the Company of a concession to the debtor because of a deterioration in its financial condition, the probability that the debtor will enter into bankruptcy or other financial reorganisation, or, in the disappearance of an active market for a security because of the issuer's financial difficulties

The Company also considers observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, arising from adverse changes in the payment status of borrowers in the portfolio and national or local economic conditions that correlate with defaults on assets in the portfolio

The Company first assesses whether objective evidence of impairment exists for individually significant financial assets and then collectively assesses remaining financial assets that are not individually significant In addition, portfolios of financial assets with similar credit risk characteristics are also collectively assessed

Impairment allowances are calculated based on the difference between the carrying amount of the asset and its estimated recoverable amount The recoverable amount is calculated by reference to the expected cash flows discounted at the original effective interest rate for the asset

4 Finance income

	2014 £'000	2013 £'000
Interest income	142	183
Interest expense	(6)	(93)
	136	90

The interest expense on amounts owed to related companies during the year represents the global cost of carry on cash deposits with related entities

5 Operating expenses

Certain operating expenses of the Company, including audit fees of £8,689 (2013 £8,436), have been borne by a fellow group company, Barclays Capital Services Limited Barclays Capital Services Limited recharges Barclays Metals Limited for costs incurred on behalf of the Company and other services provided There are no recharges this year as the amount is below the recharge threshold of £25,000 set by Barclays Capital Services Limited The audit fees have not been recharged by Barclays Capital Services Limited to the Company

There were no employees employed by the Company during 2014 or 2013

6 Directors' emoluments

No key management personnel or Directors receive any emoluments in respect of their services to the Company during the year (2013. Nil)

7 Taxation

	2014 £'000	2013 £'000
Current tax charge		
Current year	29	21
Overall tax charge	29	21

The charge for tax is based upon a UK corporation tax rate of 21 50% (2013 23 25%)

A numerical reconciliation of the applicable tax rate and the effective tax rate is as follows

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	136	90
Tax charge at average UK corporation tax rate of 21 50% (2013 23 25%)	29	21
Overall tax charge	29	21
Effective tax rate %	21 50%	23 25%

8. Loans to parent undertaking

The Company made a 18 year subordinated loan to Barclays Bank PLC of £11,250,000 on 14 November 1997 A further 30 year subordinated loan of £7,000,000 to Barclays Bank PLC was made on 30 December 1998 Both subordinated loans are interest bearing and the interest rate is based on the floating London Interbank Offer Rate

As these loans to the Company's parent undertaking are intra group loans, the Directors consider the carrying value of the Company's loans to parent undertaking approximates their fair values The fair value hierarchy was determined by reference to the observability of inputs into the fair value models Inputs into the fair value models are considered observable, for example LIBOR or the Bank of England base rate, and hence the balance is classified as level 2 Information relating to financial risks is included in Note 12

8 Loans to parent undertaking (continued)

The £11,250,000 loan has matured and settled on 15 May 2015 The £7,000,000 loan has been approved by Prudential Regulation Authority on 15 May 2015 for early settlement by Barclays Bank PLC It is expected that Barclays Bank PLC will provide written notice to the Company for settlement of the loan within the year 2015

9. Trade and other receivables

	2014 £'000	2013 £'000
Amounts owed by related companies	-	14
	-	14

The Directors consider that the carrying value of the Company's trade and other receivables approximates their fair values Information relating to financial risks is included in Note 12

Trade and other receivables, which are measured at amortised costs, are classified as Level 3 in the fair value hierarchy as their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs).

10 Trade and other payables

	2014 £'000	2013 £'000
Amounts owed to group undertaking	5,514	4,342
Group relief payable	48	41
	5,562	4,383

The Directors consider that the carrying value of the Company's trade and other payables approximates their fair values Information relating to financial risks is included in Note 12

Trade and other payables, which are measured at amortised costs, are classified as Level 3 in the fair value hierarchy as their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs)

11 Share capital and dividends

Particulars of the Company's share capital were as follows

	2014 £'000	2013 £'000
Authorised, allotted and fully paid		
12,500,000 (2013 12,500,000) ordinary shares of £1 00 each	12,500	12,500

As at 31 December 2014, the issued share capital of the Company is £12,500,000 (2013 £12,500,000), comprising of 12,500,000 shares of £1 00 each (2013 12,500,000 shares of £1 00 each) All issued shares are fully paid

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights, they do not confer any rights of redemption

11. Share capital and dividends (continued)

Analysis of dividends paid is as follows

	2014	2013
	£'000	£'000
Interim paid £0 104 (2013 Nil) per share	1,300	-

12. Financial risks

The Company's activities expose it to a variety of financial risks which include liquidity risk, credit risk and market risk (which includes foreign currency risk and interest rate risk).

The Company's Directors are required to follow the requirements of the Barclays Group risk management policies This policy includes specific guidelines on the management of foreign exchange, interest rate and credit risks, and advises on the use of financial instruments to manage them The Company seeks to minimize its exposure to liquidity, credit and market risk by applying these policies, and monitors exposures on a portfolio basis

The main financial risks that the Company is exposed to and its management policy with respect to those risks are as follows

a) Interest rate risk – Interest rate risk is the extent to which changes in interest rates will result in higher financing costs or reduced income for the Company

The table below shows the impact on the Company's statement of comprehensive income if interest rates increase/decrease by 50 basis points

	+50 basis points 2014	-50 basis points 2014	-50 basis points 2013	-50 basis points 2013
	£'000	£'000	£'000	£'000
Movement	63	(63)	69	(69)

Interest rate sensitivity is calculated based on a net of subordinated loans and amounts owed to group undertaking basis

b) Credit risk – Credit risk is the risk of suffering financial loss, should any of the Company's customers or market counterparties fail to fulfil their contractual obligations to the Company

The Company has a concentration of credit risk with Barclays Bank PLC, which is investment grade The receivables are neither overdue nor impaired

12. Financial risks (continued)

b) Credit risk (continued)

Maximum exposure to credit risk

The following table shows the maximum exposure to credit risk at 31 December 2014 and 2013

	2014 £'000	2013 £'000
Loans to parent undertaking	18,250	18,250
Trade and other receivables	-	14
Total maximum exposure at 31 December	18,250	18,264

The Company does not hold any collateral as security

Credit risk concentrations by geographical sector

	2014 United Kingdom £'000
Loans to parent undertaking	18,250
Total maximum exposure at 31 December	**18,250**

	2013 United Kingdom £'000
Loans to parent undertaking	18,250
Trade and other receivables	14
Total maximum exposure at 31 December	**18,264**

c) Liquidity risk - This is the risk that the Company's cash and committed facilities may be insufficient to meet its debts as they fall due The Company maintains a mixture of long term and short term committed facilities and receives financial support from the parent company, Barclays Bank Plc, to ensure that the Company has sufficient available funds for operations

12 Financial risks (continued)

c) Liquidity risk (continued)

The table below provides details on the contractual undiscounted maturity of all financial assets and liabilities

As at 31 December 2014	On Demand	Not more than three months	Over three months but not more than one year	Over one year but not more than five years	Over five years	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Assets						
Loans to parent undertaking	-	-	18,250	-	-	18,250
Total financial assets	-	-	18,250	-	-	18,250
Liabilities						
Trade and other payables	5,514	-	48	-	-	5,562
Total financial liabilities	5,514	-	48	-	-	5,562
Liquidity gap	(5,514)	-	18,202	-	-	12,688
Cumulative liquidity gap	(5,514)	-	12,688	-	-	

As at 31 December 2013	On Demand	Not more than three months	Over three months but not more than one year	Over one year but not more than 5 years	Over five years	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Assets						
Trade and other receivables	-	14	-	-	-	14
Loans to parent undertaking	-	-	-	11,250	7,000	18,250
Total financial assets	-	14	-	11,250	7,000	18,264
Liabilities						
Trade and other payables	4,342	-	41	-	-	4,383
Total financial liabilities	4,342	-	41	-	-	4,383
Liquidity gap	(4,342)	14	(41)	11,250	7,000	13,881
Cumulative liquidity gap	(4,342)	(4,328)	(4,369)	6,881	13,881	

12. Financial risks (continued)

d) Foreign currency risk - The Company is not materially exposed to foreign currency risk

13 Capital management

The Company is required to follow the risk management policies of Barclays PLC, its ultimate parent, which include guidelines covering capital management The capital management objectives and policies for Barclays PLC can be found in its financial statements Decisions on the allocation of capital resources are conducted as part of the strategic planning review

The Board of Directors is responsible for capital management and has approved minimum control requirements for capital and liquidity risk management

14 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both

The definition of related parties includes parent company, ultimate parent company, subsidiary, associated and joint venture companies, as well as the Company's key management which includes its Directors Particulars of transactions, and the balances outstanding at the year end, are disclosed in the tables below

The following balances and transactions took place between the Company and related parties at terms agreed between the parties

	Branches £'000
Statement of comprehensive income for the year ended 31 December 2014	
Transactions.	
Interest income	142
Interest expense	(6)
Total	136

	Branches £'000
Balance Sheet as at 31 December 2014	
Assets	
Loans to parent undertaking	18,250
Total	18,250
Liabilities	
Trade and other payables	(5,514)
Group relief payables	(48)
Total	(5,562)

14 Related party transactions (continued)

	Branches £'000
Statement of comprehensive income for the year ended 31 December 2013	
Transactions.	
Interest income	183
Interest expense	(93)
Total	90

	Branches £'000
Balance Sheet as at 31 December 2013	
Assets.	
Loans to parent undertaking	18,250
Trade and other receivables	14
Total	18,264
Liabilities	
Trade and other payables	(4,342)
Group relief payables	(41)
Total	(4,383)

15 Events occurring after the balance sheet date

Approval has been given by the Prudential Regulation Authority on 15 May 2015 for the early settlement of the 30 year subordinated loan of £7,000,000 to Barclays Bank PLC It is expected that Barclays Bank PLC will provide written notice to the Company for settlement of the loan within the year 2015 and the Company will be liquidated in the near future

Apart from the above events, the Board of Directors is not aware of any matters or circumstances that have arisen since the balance sheet date which have significantly affected or may significantly affect the Company's operations or results of those operations or the state of the Company's affairs in the future financial year

16 Parent undertaking and ultimate parent company

The immediate parent undertaking of the Company is Barclays Physical Trading Limited The parent undertaking of the smallest group that presents consolidated financial statements is Barclays Bank PLC The ultimate holding company, controlling party and parent company of the largest group that presents consolidated financial statements is Barclays PLC Both companies are incorporated in the United Kingdom and registered in England Barclays Bank PLC's and Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP