

BARCLAYS PRIVATE BANK LIMITED

(Registered Number 1957770)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1996



BARCLAYS PRIVATE BANK LIMITED

DIRECTORS' REPORT

The Directors present their report together with the financial statements for the year ended 31 December 1996.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to provide a full wealth management service for private clients and a portfolio management service for charities and pension funds. All the Company's activities are in respect of continuing operations.

On 5 June 1996, the Company passed a resolution at an Extraordinary General Meeting to change its name from BZW Portfolio Management Limited to Barclays Private Bank Limited with effect from 1 July 1996. On 1 July 1996, the Company became authorised by The Bank of England to conduct banking business.

On 1 July 1996, the Company purchased two UK branches of Barclays Bank PLC based in Knightsbridge and Grosvenor Street in London. These branches provided banking services to private clients. The branch in Knightsbridge has since been closed and those clients have transferred to Grosvenor Street.

The Company is regulated by the Securities and Futures Authority, for the conduct of its investment business.

RESULTS AND DIVIDEND FOR THE YEAR

The Directors report that the profit of the Company for the year ended 31 December 1996, after providing for corporation tax, amounted to £2,083,000 (1995: £3,267,000). The Directors do not recommend the payment of a dividend, and the profit will be transferred to reserves.

DIRECTORS

The Directors who served during the year are as shown below:

- Michael Hardwick Tomalin O.B.E. (Chairman)
- Richard James Amos (appointed 5 June 1996)
- Heather Jill Maizels (appointed 5 June 1996)
- Simon Culliford (appointed 5 June 1996)
- Alison Jane Hart (appointed 5 June 1996)
- Nicholas Ian Hancock (appointed 5 June 1996)
- Charles Frederick Pinney
- Linda Sharon Hindson (resigned 18 February 1997)
- James Edward Briscoe Bevan (resigned 4 June 1996)
- Michael Richard Burtenshaw (resigned 4 June 1996)
- Nicholas Andrew de Zoete (resigned 4 June 1996)
- Thomas Edward Gordon (resigned 4 June 1996)
- Jeremy Michael Archer (resigned 4 June 1996)
- Martin John Heale (resigned 4 June 1996)
- Peter William Ariel Lake (resigned 4 June 1996)
- Nicholas Andrew Milne (resigned 4 June 1996)
- Simon Neale Harbottle (resigned 4 June 1996)
- Rupert Alexander Blakiston Allison (appointed 4 March 1996, resigned 4 June 1996)
- Deborah Catherine Jean Seth (appointed 4 March 1996, resigned 4 June 1996)
- Bruce Adam Augur Crawford (appointed 4 March 1996, resigned 4 June 1996)
- Peter Thomas (appointed 4 March 1996, resigned 4 June 1996)
- Michael Andrew Dejana (appointed 4 January 1996, resigned 4 June 1996)

BARCLAYS PRIVATE BANK LIMITED

DIRECTORS' REPORT (Continued)

DIRECTORS' INTERESTS IN STOCK

All Directors of the Company are also Directors of Barclays Holdings Limited and their interests are disclosed in the accounts of that company.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE POLICY

Barclays Bank PLC continues to maintain liability insurance cover for its Directors and Officers and those of its subsidiary undertakings in the UK and overseas, under a Directors' and Officers' liability insurance policy.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement, which should be read in conjunction with the Auditors' report set out on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the financial statements.

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on pages 4 to 14, 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.

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 that the financial statements comply with the Companies Act 1985.

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 fraud or other irregularities.

The Directors confirm that they are satisfied the Company has adequate resources to continue its business for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing the financial statements.

AUDITORS

On the 13 December 1990 an elective Resolution was passed by the shareholders of the Company pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint Auditors annually. Price Waterhouse have indicated their willingness to continue in office.

 **BY ORDER OF THE BOARD**

J Mills
Assistant Secretary
54 Lombard Street
London EC3P 3AH

27 June 1997

Price Waterhouse



AUDITORS' REPORT TO THE SHAREHOLDERS OF BARCLAYS PRIVATE BANK LIMITED

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

Respective responsibilities of Directors and Auditors

As described on page 2 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

Chartered Accountants
and Registered Auditors
London

27 June 1997

BARCLAYS PRIVATE BANK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1996

	<u>Notes</u>	1996 <u>£000</u>	1995 <u>£000</u>
Interest receivable	2	43,067	1,305
Interest payable	2	<u>(38,374)</u>	<u>(14)</u>
NET INTEREST INCOME		4,693	1,291
Fees and commissions receivable		<u>12,954</u>	<u>9,988</u>
OPERATING INCOME		17,647	11,279
Administrative expenses		<u>(14,296)</u>	<u>(6,276)</u>
OPERATING PROFIT BEFORE PROVISIONS		3,351	5,003
Provisions for bad and doubtful debts	3	<u>(92)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	3,259	5,003
Taxation	6	<u>(1,176)</u>	<u>(1,736)</u>
PROFIT FOR THE FINANCIAL YEAR	17	2,083	3,267
Retained profits brought forward		<u>9,202</u>	<u>5,935</u>
Retained profits carried forward		<u>11,285</u>	<u>9,202</u>

The Company has no recognised gains or losses other than its profit for the year.

All the Company's activities are in respect of continuing operations.

The notes on pages 6 to 14 form part of these financial statements.

BARCLAYS PRIVATE BANK LIMITED

BALANCE SHEET as at 31 DECEMBER 1996

	<u>Notes</u>	1996 <u>£000</u>	1995 <u>£000</u>
ASSETS			
Cash and balances at central banks	7	120	11,332
Loans and advances to banks	8	1,014,506	-
Loans and advances to customers	9	55,765	-
Settlement balances	11	2,915	6,524
Other assets		2,452	176
Prepayments and accrued income		3,770	2,564
Tangible fixed assets		27	-
Intangible fixed assets	10	39,000	-
Total assets		<u>1,118,555</u>	<u>20,596</u>
LIABILITIES			
Items in the course of transmission to banks	12	4,071	-
Customer accounts	13	993,953	-
Settlement balances	11	4,646	5,528
Accruals and deferred income		3,418	1,225
Other liabilities	14	9,861	3,143
Intra group balances	14	49,859	-
Deferred taxation	15	62	98
		<u>1,065,870</u>	<u>9,994</u>
SHAREHOLDERS FUNDS			
Called up share capital	16	12,000	1,400
Share premium		29,400	-
Profit and loss account		11,285	9,202
Shareholders' funds	17	<u>52,685</u>	<u>10,602</u>
TOTAL LIABILITIES		<u>1,118,555</u>	<u>20,596</u>
MEMORANDUM ITEMS			
Contingent liabilities	19	12,090	
Commitments	19	9,395	

The Board of Directors approved the financial statements set out on pages 4 to 14 on 27 June 1997.

On behalf of the Board

MH TOMALIN Chairman

The notes on pages 6 to 14 form part of these financial statements.

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996

1 ACCOUNTING POLICIES

(1) Accounting convention

The financial statements are drawn up in accordance with Schedule 9 to the Companies Act 1985 and have been prepared under the historical cost convention and in accordance with applicable accounting standards and Statements of Recommended Accounting Practice issued by the British Bankers' Association.

The Company's results are consolidated with Barclays PLC whose financial statements are publicly available. Accordingly, the Company has elected to utilise the exemption provided by Financial Reporting Standard 1 (Revised 1996) (Cash Flow Statements) and Financial Reporting Standard 8 (Related Party Disclosures) and has not presented its own cash flow statement nor certain related party disclosures.

(2) Interest receivable

Interest income is recognised in the profit and loss account as it accrues other than interest of doubtful collectability which is credited to a suspense account and excluded from interest income. The closing balance on the suspense account is netted in the balance sheet against accrued interest receivable or, as the case may be, the amount debited to the borrower. Suspended interest is written off when there is no longer any realistic prospect of it being recovered.

(3) Interest payable

Interest payable is recognised in the profit and loss account as it accrues.

(4) Fees and commissions receivable

Fees and commissions receivable are exclusive of VAT and consist of: commission charged to external clients on Stock Exchange transactions; fees for the management of external client portfolios; arrangement fees for loans, guarantees, acceptances and credits; financial planning commissions and banking transaction fees.

(5) Deferred taxation

Deferred taxation is provided at the estimated rates at which future taxation will become payable on all timing differences between the accounting and taxation treatment of income and expense where, in the opinion of the Directors, it is probable that a liability or asset will crystallise.

(6) Leases

The Company uses property, furniture and equipment which is provided for use by other companies within the Barclays PLC group. An intercompany recharge is levied and the Company accounts for these costs on an accruals basis.

(7) Foreign exchange

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated at the rate of exchange ruling at the date of the settlement of the transaction. Exchange differences are accounted for in the profit and loss account.

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

(8) Goodwill

Goodwill arises on the acquisition of subsidiary and associated undertakings and other businesses acquired. It represents the excess of cost over fair value of the share of net tangible assets acquired. Such goodwill is capitalised as an intangible asset and amortised against profit over its expected life, usually twenty years. Capitalised goodwill is written off when judged to be irrecoverable.

(9) Bad and doubtful debts

Specific provisions are made against advances for which recovery is considered to be doubtful. General provision is made in respect of losses which although not yet specifically identified, are known from experience to be present in any portfolio of bank advances. Loans and advances are written off when there is no realistic prospect of recovery.

(10) Off balance sheet instruments including derivatives

Transactions in off-balance sheet instruments are measured at fair value and the resultant profits and losses are included in dealing profits, except those in respect of specifically designated hedging transactions which are taken to profit in accordance with the accounting treatment of the underlying transaction. Notional amounts of the contracts are not recorded on the balance sheet.

2 INTEREST RECEIVABLE AND PAYABLE

<u>Interest receivable</u>	<u>1996</u> £000	<u>1995</u> £000
Loans and advances to intra group banks	33,130	1,305
Loans and advances to customers	<u>9,937</u>	<u>-</u>
	<u>43,067</u>	<u>1,305</u>
<u>Interest payable</u>		
Deposits by intra group banks	1,987	14
Customer accounts: Current and demand accounts	934	-
Savings accounts	6,097	-
Other retail time deposits	<u>29,356</u>	<u>-</u>
	<u>38,374</u>	<u>14</u>

3 PROVISIONS FOR BAD AND DOUBTFUL DEBTS

	<u>1996</u> £000	<u>1995</u> £000
Specific provisions - credit risk	(8)	-
General provisions - credit risk	<u>100</u>	<u>-</u>
	<u>92</u>	<u>-</u>

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

4 OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The operating profit on ordinary activities before taxation has been arrived at after charging:

	<u>1996</u> £000	<u>1995</u> £000
Amounts paid to related undertakings in respect of operating lease obligations	1,914	951
Auditors' remuneration	30	18
Auditors' fees for non audit work	<u>10</u>	<u>11</u>

5 EMPLOYEES

With the exception of the Chairman and Chief Executive, all the staff are employed by Barclays Private Banking Services Limited and their costs are recharged by means of an intercompany charge. The Chairman and Chief Executive are employed by Barclays Bank PLC and the costs of the Chief Executive are recharged to the Company. In 1996 the recharge was £5,395,420 (1995: £2,764,000)

<u>Directors' emoluments</u>	<u>1996</u> £000	<u>1995</u> £000
Directors' emoluments in respect of their services to the Company		
Remuneration	1,287	979
Pension consideration	<u>55</u>	<u>70</u>
	<u>1,342</u>	<u>1,049</u>
The Directors' emoluments (excluding pension contributions) include amounts paid to:		
The Chairman	NIL	NIL
The highest paid Director	124	145

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

5 EMPLOYEES (continued)

The Directors received emoluments (excluding pension contributions) in the following ranges:

	1996 <u>Number</u>	1995 <u>Number</u>
£1-£5,000	1	4
£20,001 - £25,000	1	-
£25,001 - £30,000	1	-
£30,001 - £35,000	3	-
£35,001 - £40,000	1	-
£45,001 - £50,000	2	-
£50,001 - £55,000	3	-
£55,001 - £60,000	4	-
£65,001 - £70,000	-	2
£70,001 - £75,000	-	1
£75,001 - £80,000	1	-
£85,001 - £90,000	-	1
£90,001 - £95,000	-	1
£95,001 - £100,000	-	1
£100,001 - £105,000	1	2
£105,001 - £110,000	1	-
£120,001 - £125,000	1	-
£135,001 - £140,000	-	1
£145,001 - £150,000	-	1

Contracts with Directors and connected persons and with senior executives

The aggregate amounts outstanding at 31 December 1996 under transactions, arrangements and agreements made by the Company who are, or were during the year, Directors of the Company and persons connected with them and for senior executives, within the meaning of the Banking Act 1987 were:

	Number of Directors or senior executives	Number of connected persons	Amount £000
Director loans	1	-	3

6 TAXATION

<u>1996</u>	<u>1995</u>
£000	£000

The taxation charge comprises:

Corporation tax at 33%(1995: 33%) on profit for the year	1,224	1,606
Under provision in previous year	(12)	101
Deferred taxation (Note 15)	<u>(36)</u>	<u>29</u>
	<u>1,176</u>	<u>1,736</u>

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

7 CASH AND BALANCES AT CENTRAL BANKS

In 1995, the Company was not registered as a bank and held cash at other Group undertakings as well as balances outside of the Group. Balances with Group undertakings at 31 December 1995 amounted to £11,328,000. In addition, at 31 December 1995 cash at bank included £1,026,000 received by the company in the course of settlement of client bargains. This money was held in trust on behalf of clients. There was also an amount of £1,475,000 included within bank overdrafts (now reclassified as other liabilities) which represented amounts due in the course of settlement of client bargains.

At 31 December 1996, cash and balances at Central Banks includes physical cash held in vaults

8 LOANS AND ADVANCES TO BANKS

	1996			1995		
			£000			£000
	Intra-group	Other	Total	Intra-group	Other	Total
Repayable on demand	106,685	-	106,685	-	-	-
Not more than three months	835,746	-	835,746	-	-	-
Over three months but not more than one year	59,233	-	59,233	-	-	-
Over one year but not more than five years	110	-	110	-	-	-
Over five years	<u>12,732</u>	<u>-</u>	<u>12,732</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,014,506</u>	<u>-</u>	<u>1,014,506</u>	<u>-</u>	<u>-</u>	<u>-</u>

9 LOANS AND ADVANCES TO CUSTOMERS

	1996	1995
	£000	£000
Repayable on demand	12,711	-
Not more than three months	15,137	-
Over three months but not more than one year	28,113	-
Less provisions	<u>(196)</u>	<u>-</u>
	<u>55,765</u>	<u>-</u>

10 GOODWILL

	1996	1995
	£000	£000
At beginning of year	-	-
Additions (See Note 18)	40,000	-
Amortisation charge for year	<u>(1,000)</u>	<u>-</u>
At end of year	<u>39,000</u>	<u>-</u>

Goodwill is amortised through the profit and loss account over 20 years from the date of acquisition.

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

11 SETTLEMENT AMOUNTS

Included within settlement recoverable and settlement amounts payable are balances with group undertakings of £1,455,000 and £1,049,000 (1995: £2,041,000 and £2,414,000) respectively.

12 ITEMS IN THE COURSE OF TRANSMISSION TO BANKS

	1996			1995		
	Intra- Group £000	Other £000	Total £000	Intra- Group £000	Other £000	Total £000
Repayable on demand	<u>4,071</u>	<u>-</u>	<u>4,071</u>	<u>-</u>	<u>-</u>	<u>-</u>

13 CUSTOMER ACCOUNTS

	<u>1996</u> £000	<u>1995</u> £000
Repayable on demand	86,132	-
With agreed maturity dates or periods of notice, by remaining maturity		
- 3 months or less but not repayable on demand	835,746	-
- 1 year or less but over 3 months	59,233	-
- 5 years or less but over 1 year	110	-
- over 5 years	<u>12,732</u>	<u>-</u>
	<u>993,953</u>	<u>-</u>

14 OTHER LIABILITIES

	<u>1996</u> £000	<u>1995</u> £000
Corporation tax	1,307	1,736
Sundry creditors	<u>8,554</u>	<u>1,407</u>
	<u>9,861</u>	<u>3,143</u>

15 DEFERRED TAXATION

	<u>1996</u> £000	<u>1995</u> £000
Balance brought forward	98	69
Current year (release)/provision	<u>(36)</u>	<u>29</u>
Balance carried forward	<u>62</u>	<u>98</u>

The deferred tax balance comprises a deferred tax asset of £51,000 (1995: £51,000) in respect of capital allowances and a deferred tax liability of £113,000 (1995: £149,000) in respect of interest receivable. The balance represents the full potential net liability.

BARCLAYS PRIVATE BANK LIMITED

(Continued)

16 CALLED UP SHARE CAPITAL

	Number		1996	1995
	1996	1995	£000	£000
Authorised				
Ordinary shares of £1 each	<u>12,000,000</u>	<u>2,000,000</u>	<u>12,000</u>	<u>2,000</u>
Allotted and fully paid				
Ordinary shares of £1 each	<u>12,000,000</u>	<u>1,400,000</u>	<u>12,000</u>	<u>1,400</u>

On 17 June 1996, the company passed an ordinary resolution to increase the authorised share capital from 2,000,000 ordinary shares of £1 each to 12,000,000 ordinary shares of £1 each.

On 1 July 1996 the Company issued 10,600,000 ordinary shares at £3.77 per share resulting in total consideration received of £40,000,000. The purpose of the allotment was to enable the Company to purchase two branches of Barclays Bank PLC. Further information on the acquisition is given in Note 18.

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996	1995
	£000	£000
Opening shareholders' funds	10,602	7,335
Proceeds of shares issued	40,000	-
Profit retained	<u>2,083</u>	<u>3,267</u>
	<u>52,685</u>	<u>10,602</u>

18 ACQUISITIONS

On 1 July 1996, the company purchased the assets and liabilities of two branches of Barclays Bank PLC for a consideration of £40,000,000. The book and fair value of the net assets at acquisition were as follows:

	Book and Fair value £000
Assets	901,134
Liabilities	<u>(901,134)</u>
Net Assets acquired	-
Consideration	<u>40,000</u>
Goodwill on acquisition	<u>40,000</u>

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

19 OFF BALANCE SHEET ITEMS

In common with other banks, the Company conducts business involving acceptances, guarantees, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. In addition, there are other off-balance sheet financial instruments, including options and forward foreign exchange contracts, the nominal amounts for which are not reflected in the balance sheet.

The following table summarises the nominal principal amount of contingent liabilities and commitments with off-balance sheet risk as at 31 December 1996.

	<u>1996</u> Contract or underlying principal amount <u>£000</u>	<u>1996</u> Risk weighted amount <u>£000</u>	<u>1995</u> Contract or underlying principal amount <u>£000</u>	<u>1995</u> Risk weighted amount <u>£000</u>
Contingent liabilities				
Acceptances and endorsements				
Guarantees and assets pledged as collateral security	10,421	5,950	-	-
Other contingent liabilities	<u>1,669</u>	<u>457</u>	<u>-</u>	<u>-</u>
Off-balance sheet credit risk	<u>12,090</u>	<u>6,409</u>	<u>-</u>	<u>-</u>
Commitments				
Documentary credits and other short term trade related transactions	<u>9,395</u>	<u>9,395</u>	<u>-</u>	<u>-</u>
Off-balance sheet credit risk	<u>9,395</u>	<u>9,395</u>	<u>-</u>	<u>-</u>

At 31 December 1995 the Company held client money of £232,575,000 in trust on behalf of clients in accordance with the Financial Services (Client Money) Regulations 1991. A substantial proportion of this was held in deposits placed with Barclays Bank PLC Grosvenor Street branch under trust arrangements in accordance with the Regulations. Since the acquisition by the Company of that branch on 1 July 1996, those deposits have been held on-balance sheet and are now managed in accordance with Bank of England regulations.

At 31 December 1996 the company still held client money of £39,519,857 in accordance with the Financial Services (Client Money) Regulations 1991.

BARCLAYS PRIVATE BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 1996 (Continued)

20 LEASE COMMITMENTS

The Company has entered into a number of lease agreements with other companies within the Barclays PLC group. The amount payable in respect of the forthcoming year comprises:

	<u>Land and buildings</u>		<u>Furniture and equipment</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	£000	£000	£000	£000
Commitments expiring:				
Within one year	-	129	728	100
Between one and five years	2,085	311	182	50

21 SEGMENTAL INFORMATION

In the opinion of the Directors there is only one class of business which is conducted entirely from the United Kingdom.

22 SUBSIDIARY COMPANY

The Company owns 100% of the issued ordinary share capital of Swan Nominees Limited, which is registered in England and Wales. The Company is a nominee Company which is used to register PEP holdings which are beneficially owned by clients of Barclays Private Bank Limited. Swan Nominees Limited does not trade on its own account and therefore is not material for consolidation purposes.

23 CONTINGENT LIABILITIES

From time to time, Barclays Bank PLC will enter into bonds, indemnities, guarantees or other obligations on behalf of customers of Barclays Private Bank Limited under counter indemnities in favour of Barclays Bank PLC. Barclays Private Bank Limited has agreed to indemnify Barclays Bank PLC against all actions, proceedings liabilities, claims, demands, damages, costs and expenses arising in respect of these transactions.

24 HOLDING COMPANIES

The parent company of the smallest group that presents group accounts is Barclays Bank PLC. The ultimate holding company and the parent company of the largest group that presents group accounts is Barclays PLC. Both companies are registered in England and Wales. The group accounts may be obtained from Barclays Bank PLC, 54 Lombard Street, London EC3P 3AH.