

**Registered number in England & Wales: 02057205**

**BARCLAYS LEASING (NO.9) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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## **BARCLAYS LEASING (NO.9) LIMITED**

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## **BARCLAYS LEASING (NO.9) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The Directors present their annual report together with the audited financial statements of Barclays Leasing (No.9) Limited (the 'Company') for the year ended 30 September 2020.

#### **Profits and dividends**

During the year the Company made a loss after tax of £1,000 (2019: loss after tax of £1,000). The Directors do not recommend the payment of a dividend (2019: £Nil).

#### **Post balance sheet events**

On 22nd December 2020, the parent company Barclays Mercantile Business Finance Limited sold Barclays Leasing (No.9) Limited to Barclays Principal Investments Limited, a fellow group company.

In the March 2021 UK Budget, it was announced that the UK rate of corporation tax will increase from 19% to 25% effective 1 April 2023. The change was not substantively enacted or enacted at the balance sheet date and this is not expected to have an impact on the Company as the Company does not have any deferred tax balances.

#### **Directors**

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

C Senior  
V Shah  
G Simpson  
J Walthoe (appointed 10 January 2020)

Since year end, D Blagbrough was appointed as the Director of the Company on 29 April 2021.

#### **Going concern**

After reviewing the Company's financial position including the implications from the COVID-19 outbreak for at least the next 12 months from the date of signing these financial statements, the Company will be reliant on Barclays PLC to meet its liabilities as they fall due for that period. Barclays PLC has indicated its intention to continue to make available funds as needed by the Company for the period covered by the forecasts. Therefore, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future.

As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on these indications, the Directors have adopted the going concern basis in preparing these financial statements.

#### **Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

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:

## **BARCLAYS LEASING (NO.9) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020**

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 risk management**

The Company's activities are exposed to a variety of financial risks. The Company is required to follow the requirements of the Group risk management policies, which include specific guidelines on the management of foreign exchange, interest rate and credit risks, and advice on the use of financial instruments to manage them. The main financial risks that the Company is exposed to are outlined in Note 12.

#### **Directors third party indemnity provisions**

Qualifying third party indemnity provisions were in force (as defined by section 234 of the Companies Act 2006) during the course of the financial year ended 30 September 2020 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, including qualifying third party indemnity provisions and qualifying indemnity provisions which may occur (or have occurred) in connection with their duties, powers or office.

#### **Independent auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

#### **Statement of disclosure of information to auditor**

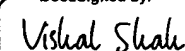
So far as the Directors are aware, there is no relevant audit information of which the Company's Auditor is unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's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

#### **Strategic report exemption**

This report has been prepared in accordance with the special provisions applicable to small companies set out in section 415A of the Companies Act 2006. The Company has also taken advantage of the small companies exemption from the requirement to prepare a strategic report.

This report was approved by the board on 3/6/2021 and signed on its behalf.

DocuSigned by:



02B7C0B56EF34FC Vishal Shah  
Director

Company number: 02057205

1 Churchill Place, London, E14 5HP

Date: 3/6/2021

## **BARCLAYS LEASING (NO.9) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS LEASING (NO.9) LIMITED**

We have audited the financial statements of Barclays Leasing (no.9) Limited ("the Company") for the year ended 30 September 2020 which comprises the Income Statement, Statement of Financial Position, the Cash flow Statement, the Statement of Changes in Equity, and related notes, including the summary of significant accounting policies in note 5.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### **Going concern**

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the company's business model, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

#### **Directors' report**

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

#### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been

## **BARCLAYS LEASING (NO.9) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS LEASING (NO.9) LIMITED**

- 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.
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

#### **Directors' responsibilities**

As explained more fully in their statement set out on pages 2 to 3, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Snook (Senior statutory auditor)

for and on behalf of

**KPMG LLP**  
**Chartered Accountants**  
15 Canada square  
London  
E14 5GL  
Date:

**BARCLAYS LEASING (NO.9) LIMITED****INCOME STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	<b>Note</b>	<b>2020 £000</b>	<b>2019 £000</b>
Interest expense	8	(1)	(1)
<b>Loss before tax</b>		<u>(1)</u>	<u>(1)</u>
Tax credit	9	-	-
<b>Loss after tax</b>		<u><u>(1)</u></u>	<u><u>(1)</u></u>

All recognised income and expenses have been reported in the income statement, hence no statement of comprehensive income has been included in the financial statements.

The accompanying notes on pages 10 to 18 form an integral part of the financial statements.

**BARCLAYS LEASING (NO.9) LIMITED**  
**REGISTERED NUMBER: 02057205**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

	Note	2020 £000	2019 £000
<b>Assets</b>			
<b>Current assets</b>			
Group relief receivable	9	-	5
<b>Total assets</b>		-	5
<b>Liabilities</b>			
<b>Current liabilities</b>			
Amount due to immediate parent undertaking	10	(160)	(164)
<b>Total liabilities</b>		(160)	(164)
<b>Net liabilities</b>		(160)	(159)
<b>Issued capital and reserves</b>			
Share capital	11	-	-
Accumulated losses		(160)	(159)
<b>TOTAL EQUITY</b>		(160)	(159)

The accompanying notes form an integral part of the financial statements.

The financial statements and accompanying notes on pages 6 to 18 were approved and authorised for issue by the Board of Directors on 3/6/2021 and were signed on its behalf by:

DocuSigned by:

*Vishal Shah*

Director Vishal Shah

Company number: 02057205

1 Churchill Place, London, E14 5HP



**BARCLAYS LEASING (NO.9) LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Share capital £000	Accumulate d losses £000	Total equity £000
<b>At 1 October 2019</b>	-	(159)	(159)
Loss for the year	-	(1)	(1)
<b>Total comprehensive income for the year</b>	-	(1)	(1)
<b>At 30 September 2020</b>	-	(160)	(160)

	Share capital £000	Accumulat ed losses £000	Total equity £000
<b>At 1 October 2018</b>	-	(158)	(158)
Loss for the year	-	(1)	(1)
<b>Total comprehensive income for the year</b>	-	(1)	(1)
<b>At 30 September 2019</b>	-	(159)	(159)

The notes on pages 10 to 18 form an integral part of the financial statements.

**BARCLAYS LEASING (NO.9) LIMITED****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>		
Loss before tax	(1)	(1)
Income tax expense	-	-
<b>Cash generated from operations</b>	<u>(1)</u>	<u>(1)</u>
Group relief received	5	57
<b>Net cash from operating activities</b>	<u>4</u>	<u>56</u>
<b>Cash flows from financing activities</b>		
Financing to immediate parent undertaking	(4)	(56)
<b>Net cash used in financing activities</b>	<u>(4)</u>	<u>(56)</u>
<b>Net increase in cash and cash equivalents</b>	<u>-</u>	<u>-</u>
Cash and cash equivalents at the beginning of year	-	-
<b>Cash and cash equivalents at the end of the year</b>	<u>-</u>	<u>-</u>

The accompanying notes on pages 10 to 18 form an integral part of the financial statements.

## **BARCLAYS LEASING (NO.9) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020**

#### **1. Reporting entity**

These financial statements are prepared for Barclays Leasing (No.9) Limited (the 'Company'), the principal activity of which is the provision of leasing equipment. The financial statements are prepared for the Company, in line with the UK Companies Act 2006.

On 26 June 2020, the parent company Barclays Mercantile Business Finance Limited was sold by Barclays Bank PLC to Barclays Principal Investments Limited, a fellow subsidiary of Barclays PLC. With effect from 26 June 2020, the parent undertaking of the smallest group that presents consolidated financial statements is Barclays PLC and the ultimate holding company and the parent undertaking of the largest group that presents group financial statements is Barclays PLC, which prepares consolidated financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

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 accounting standards in conformity with the requirements of the Companies Act 2006. The principal accounting policies applied in the preparation of the financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied.

#### **3. Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IFRS 9, 'Financial Instruments, recognition, and measurement' for hedges and IFRS 9 'Financial Instruments' 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.

After reviewing the Company's financial position including the implications from the COVID-19 outbreak for at least the next 12 months from the date of signing these financial statements, the Company will be reliant on Barclays PLC to meet its liabilities as they fall due for that period. Barclays PLC has indicated its intention to continue to make available funds as needed by the Company for the period covered by the forecasts. Therefore, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future.

As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on these indications, the Directors have adopted the going concern basis in preparing these financial statements.

#### **4. New and amended standards**

The accounting policies adopted are consistent with those of the previous financial year. There are no new amended standards that have had a material impact on the Company's accounting policies.

##### **Future accounting developments**

The Company does not expect any significant changes to its financial reporting after 2020 as a result of amended or new accounting standards that have been or will be issued by the IASB.

**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020****5. Accounting policies****5.1 Interest**

Interest income on loans and advances at amortised cost and interest expense on financial liabilities held at amortised cost, are calculated using the effective interest method which allocates interest, and direct and incremental fees and costs, over the expected lives of the assets and liabilities.

The effective interest method requires the Company to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the assets and liabilities.

**5.2 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.

Deferred income tax is provided in full, using the liability method, on temporary differences arising from the differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Deferred income tax is determined using tax rates and legislation enacted or substantively enacted by the balance sheet date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised on deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is regarded as probable that sufficient taxable profits will be available against which the deductible temporary difference, unused tax losses and unused tax credits can be utilised.

Deferred and 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.

**5.3 Financial assets and liabilities**

The Company applies IFRS 9 Financial Instruments to the recognition, classification and measurement, and derecognition of financial assets and financial liabilities and the impairment of financial assets.

*Recognition*

The Company recognises financial assets and liabilities when it becomes a party to the terms of the contract. Trade date or settlement date accounting is applied depending on the classification of the financial asset.

*Classification and measurement*

Financial assets are classified on the basis of two criteria:

- i) the business model within which financial assets are managed; and
- ii) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

The Company assesses the business model criteria at a portfolio level. Information that is considered in determining the applicable business model includes (i) policies and objectives for the relevant portfolio, (ii) how the performance and risks of the portfolio are managed, evaluated and reported to management, and (iii) the frequency, volume and timing of sales in prior periods, sales expectation for future periods, and the reasons for such sales.

The contractual cash flow characteristics of financial assets are assessed with reference to whether the cash flows represent SPPI. In assessing whether contractual cash flows are SPPI compliant, interest is defined as consideration primarily for the time value of money and the credit risk of the principal

**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020****5. Accounting policies (continued)**

outstanding. The time value of money is defined as the element of interest that provides consideration only for the passage of time and not consideration for other risks or costs associated with holding the financial asset. Terms that could change the contractual cash flows so that it would not meet the condition for SPPI are considered, including: (i) contingent and leverage features, (ii) non-recourse arrangements and (iii) features that could modify the time value of money.

*Financial assets measured at amortised cost*

Financial assets will be measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and their contractual cash flows represent solely payments of principal and interest.

*Financial assets measured at fair value through other comprehensive income*

Financial assets will be measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and their contractual cash flows represent solely payments of principal and interest.

*Financial instruments at fair value through profit or loss*

Other financial assets are measured at fair value through profit and loss. There is an option to make an irrevocable election for non traded equity investments to be measured at fair value through other comprehensive income, in which case dividends are recognised in profit or loss, but gains or losses are not reclassified to profit or loss upon derecognition, and impairment is not recognised in the income statement.

*Determining fair value*

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted market price in an active market wherever possible. Where no such active market exists for the particular asset, the Company uses a valuation technique to arrive at the fair value, including the use of prices obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

**5.4 Leases**

Assets leased to customers under agreements, which transfer substantially all the risks and rewards of ownership, with or without ultimate legal title, are classified as finance leases. When assets are held subject to a finance lease, the present value of the lease payments, discounted at the rate of interest implicit in the lease, is recognised as a receivable. The difference between the total payments receivable under the lease and the present value of the receivable is recognised as unearned finance income, which is allocated to accounting periods under the pre-tax net investment method to reflect a constant periodic rate of return.

Where there is a change in the lease cash flow assumptions, for example as a result of a change in the corporation tax rate, the resultant change in the current period lease receivable balance is recognised in the current period income statement within lease revenue.

Renewal rental income earned on the secondary rental period is recognised as lease revenue on a receivable basis.

Termination profits and/or losses, if they arise, are included in lease revenue.

**5.5 Cash and cash equivalents**

For the purposes of the cash flow statement, cash comprises cash on hand, demand deposits, and cash equivalents. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months. Trading balances are not considered to be part of cash equivalents.

**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020****5. Accounting policies (continued)****5.6 Critical accounting estimates**

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying the accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements are highlighted under the relevant note.

**6. Administrative expense**

The Company has no full time employees (2019: none).

The audit fees of £5,250 (2019: £5,250) have been borne by the Company's ultimate parent Barclays PLC and have not been recharged to the Company. This fee is not recognised as an expense in the financial statements of the Company.

No benefits in kind have been provided to the auditor.

**7. Directors' remuneration**

The Directors did not receive any remuneration from the Company and no contributions were made, by the Company, under defined benefit or defined contribution pension schemes, on their behalf (2019: £nil).

During the year, no (2019: 0) Directors exercised options under the Barclays PLC Sharesave Scheme and Long Term Incentive schemes.

**8. Finance income and expense****Recognised in profit or loss**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Finance expense</b>		
Interest payable to immediate parent undertaking	<b>(1)</b>	<b>(1)</b>
<b>Total</b>	<b>(1)</b>	<b>(1)</b>

**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020****9. Tax expense****9.1 Income tax recognised in profit or loss**

The reconciliation between the actual tax credit for the year and the standard rate of corporation tax in the United Kingdom applied to losses for the year are as follows:

	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
Loss for the year	(1)	(1)
Income tax credit	-	-
<b>Loss before income taxes</b>	<b>(1)</b>	<b>(1)</b>
Tax using the UK Corporation tax rate of 19% (2019:19%)	-	-
<b>Total tax credit</b>	<b>-</b>	<b>-</b>

On 22 July 2020 the Finance Act 2020 received Royal Assent, enacting the UK corporation tax rate would remain at 19% from 1 April 2020 onwards instead of reducing to 17%, the previously enacted rate. This rate has therefore been used to calculate current taxes for the year ended 30 September 2020.

**9.2. Current tax asset**

	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
Group relief receivable	-	5
<b>Total</b>	<b>-</b>	<b>5</b>

**10. Amount due to immediate parent undertaking**

	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
<b>Current</b>		
Amount due to immediate parent undertaking	160	164
<b>Total</b>	<b>160</b>	<b>164</b>

The amount due to the immediate parent company has no fixed maturity date and is unsecured, bearing interest at rates varying throughout the year based on prevailing market interest rates. Its fair value is disclosed in note 13.

**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020****11. Share capital****Authorised**

	2020 Number	2019 Number
<b>Shares treated as equity</b>		
Ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>

**Issued and fully paid**

	2020 Number	2019 Number
<b>Ordinary shares of £1.00 each</b>		
At 1 October and 30 September	<u>100</u>	<u>100</u>

**12. Financial risks**

The Company's activities expose it to a variety of financial risks. These are credit risk, liquidity risk and market risk, (which includes foreign currency risk, interest rate risk and price risk). Consequently, the Company devotes considerable resources to maintaining effective controls to manage, measure and mitigate each of these risks, and regularly reviews its risk management procedures and systems to ensure that they continue to meet the needs of the business. The Company uses derivative financial instruments to hedge certain risk exposures.

The Board of Directors monitors the Company's financial risks and has responsibility for ensuring effective risk management and control.

**a) Credit risk**

Credit risk is the risk that the Company's customers or counterparties will not be able or willing to pay interest, repay capital or otherwise to fulfil their contractual obligations in relation to the Company's financial assets.

The Company uses statistical modelling techniques in its credit rating system. These systems assist the Company in credit decisions on new commitments and in managing the portfolio of existing exposures. They enable the application of consistent risk measurement across all credit exposures. The key building blocks in the measurement system are the probability of customer default ('PD') (expressed through an internal risk rating), exposure at default ('EAD') and severity of loss-given-default ('LGD').

The Company assesses the credit quality and assigns an internal risk rating to all borrowers and other counterparties. Each internal rating corresponds to the statistical probability of a customer in that rating class defaulting within the next 12-month period. Exposure at default represents the expected level of utilisation of the credit facility when default occurs. At default the customer may not have drawn the loan/lease fully or may have already paid some of the principal, so that exposure is typically less than the approved loan limit. When a customer defaults, much of the outstanding loan/lease is usually recovered.



**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The part that is not recovered, the actual loss, is the LGD. The three components above, PD, EAD, and LGD, are used to calculate the expected loss. Credit exposures are actively managed; where weaknesses are detected action is taken to mitigate the risks. These include steps to reduce the amounts outstanding or the sale of assets. In addition, to mitigate the risk, security may be taken for funds advanced.

The Company's principal financial assets is the amounts due from immediate parent undertaking, which represent the entity's maximum exposure to credit risk in relation to financial assets.

**b) 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 has the financial support of the parent undertaking Barclays Bank PLC that is designed to ensure the Company has sufficient available funds for operations.

**Contractual maturity of financial liabilities**

The amount due to the parent undertaking is repayable on demand.

**c) Market risk**

Market risk is the risk that the Company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, equity prices and foreign exchange rates. The Company is not exposed to any market risk.

**d) Interest rate risk**

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Company's interest bearing financial assets and liabilities. The Company's net interest rate risk arises from its borrowings.

**Interest rate sensitivity analysis**

The sensitivity of the income statement is the effect of assumed changes in interest rates on the net interest income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 30 September 2020.

***Impact on net interest income***

At 30 September 2020, if interest rates for the year had been 25 basis points lower/higher with all other variables being constant, the impact on net interest income would be as follows.

	<b>2020</b>	<b>2020</b>
	<b><u>+25 basis points</u></b>	<b><u>-25 basis points</u></b>
Change in net interest expense £	400	(400)
As a percentage of net interest expense	56.5%	-56.5%
	<b>2019</b>	<b>2019</b>
	<b><u>+25 basis points</u></b>	<b><u>-25 basis points</u></b>
Change in net interest expense £	411	(411)
As a percentage of net interest expense	30.8%	-30.8%

**BARCLAYS LEASING (NO.9) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020****13. Fair value of financial instruments**

The fair value of an asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying amount of all financial assets and liabilities is a reasonable approximate of fair value.

As the amount due to immediate parent undertaking was repayable on demand its fair value equalled its carrying value and it was included in Level 2 of the fair value hierarchy as at 30 September 2020 and 30 September 2019.

**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 is disclosed in note 7, 8, 9, 10 and 11.

**15. Capital management note**

The Company's objectives when managing capital are:

- 1) To safeguard the Company's ability to continue as a going concern; and
- 2) To maintain an optimal capital structure in order to reduce the cost of capital.

The Board of Directors is responsible for capital management and ensures that the Company operates within the Barclays Group risk framework.

The Company regards as capital its equity, reported on the balance sheet.

The total capital of the Company is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Share capital	-	-
Accumulated losses	<b>(160)</b>	<b>(159)</b>
<b>Total</b>	<b>(160)</b>	<b>(159)</b>

## **BARCLAYS LEASING (NO.9) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020**

#### **16. Parent undertaking and ultimate holding company**

The parent of the Company is Barclays Mercantile Business Finance Limited.

On 26 June 2020, the parent company Barclays Mercantile Business Finance Limited was sold by Barclays Bank PLC to Barclays Principal Investments Limited, a fellow subsidiary of Barclays PLC. With effect from 26 June 2020, the parent undertaking of the smallest group that presents group financial statements is Barclays PLC. The ultimate holding company and the parent company of the largest group that presents group financial statements is Barclays PLC. Barclays PLC is incorporated in the United Kingdom and registered in England. Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP.

#### **17. Post balance sheet events**

On 22nd December 2020, the parent company Barclays Mercantile Business Finance Limited sold Barclays Leasing (No.9) Limited to Barclays Principal Investments Limited, a fellow group company.

In the 3rd of March 2021 UK Budget, it was announced that the UK rate of corporation tax will increase from 19% to 25% effective 1 April 2023. The change was not substantively enacted or enacted at the balance sheet date and this is not expected to have an impact on the Company as the Company does not have any deferred tax balances.