

BARCLAYS STERIA PARTNERSHIP LIMITED

Report and Accounts
For the year to 31st December 2008

Registered Office:
Three Cherry Trees Lane
Hemel Hempstead
Hertfordshire
England
HP2 7AH

Registered in England number 2958406

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BARCLAYS STERIA PARTNERSHIP LIMITED

DIRECTORS' REPORT

for the year ended 31 December 2008

The Directors present their report and accounts for the year to 31 December 2008.

Activities and review of the business

The Company exists to provide a broad range of services including software development, support of existing business applications and the management of future strategic technology developments for both the retail and commercial operations of Barclaycard and for Barclays Bank PLC ("Barclays"). Steria Limited ("Steria") and Barclays jointly own the Company, with a shareholding split of 49:51 respectively. Steria has operational and board control.

Executive management within the Company use an established range of tools to manage risk which is reviewed by the Board on a regular basis. Attracting and retaining high quality staff is critical to our business model. As part of the wider Steria Group, our recruitment, induction and training programmes aim to increase employee skills and loyalty and new opportunities created provide a rewarding career environment for staff and ensures staff attrition does not become unmanageable. A well tested governance framework exists and project reviews are regularly conducted by independent reviewers as well as being subject to management oversight.

The Company had a profitable year. The Directors look forward to the Company broadening its relationship with Barclays and Barclaycard.

Results and dividend

In the year ended 31 December 2008 the Company had a turnover of £54,042,297 (8 months ended December 2007: £34,073,563) and a profit after taxation of £4,535,444 (8 months ended December 2007: £1,874,991).

The Directors recommend the payment of an interim dividend of £4,500,000 (31 December 2007: £3,550,000), of which £4,500,000 (31 December 2007: £3,550,000) will be payable to holders of the A shares and £nil (31 December 2007: £nil) will be payable to holders of the B shares.

Directors

The Directors of the Company, who served during the period, together with their dates of appointment and resignation, where appropriate, are as detailed below:

Aghi, Mukesh - appointed 23rd July 2008

Blain, John - appointed 23rd July 2008

Burke, David

Monroe, Sheila

Moran, John

Spalding, Yvonne

Torrie, John - appointed 25th February 2008

Weber, Simon - appointed 24th October 2008

Feldman, Paul - appointed 9th January 2008 and resigned 27th March 2008

Leigh, David - resigned 14th March 2008

Nair, Anup - appointed 4th February 2008 and resigned 27th March 2008

Rakhecha, Piyush - resigned 23rd July 2008

There were no other changes of Directors either during the year or after the year end.

Directors' interests in shares and options in shares

None of the Directors had an interest in the shares of the Company.

Disclosure of information to the auditors

So far as each person who was a Director at the date of approving this report is 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.

Political and charitable donations

The Company did not make any donations in the year ended 31 December 2008 (8 months to 31 December 2007: £nil).

Employee policies

The Company's employment policies are designed to ensure that it is able to attract the highest calibre of employee from all sections of the communities within which it operates. The Company values diversity in the workplace and is committed to providing equality of opportunity to all employees and potential employees. This ensures that the Company offers people with disabilities the same opportunities for employment, training and career progression as other employees. The Company continues to develop and encourage a participative and accountable management style that complements employee participation in the equity of the ultimate parent company. In addition, the Company has a continuing commitment to the training and development of its employees together with a structured communications programme for keeping them aware of matters of concern including financial and economic factors affecting the performance of the Company.

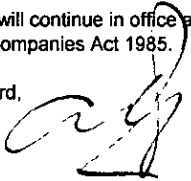
Creditor payment policy and practice

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with. At 31 December 2008, the Company had 0 days (31 December 2007: 0 days) purchases outstanding in trade creditors.

Auditors

Ernst & Young LLP will continue in office as the Company's auditor in accordance with an elective resolution passed by the Company under section 386 of the Companies Act 1985.

By Order of the Board,



Alan Whitfield
Company Secretary

29/4/ 2009

BARCLAYS STERIA PARTNERSHIP LIMITED

Statement of Directors' Responsibilities in respect of the Accounts

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INDEPENDENT AUDITORS' REPORT

to the members of Barclays Steria Partnership Limited

We have audited the Company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

Respective responsibilities of directors and auditors

The Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements.

We also report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Luton

8 May 2009

BARCLAYS STERIA PARTNERSHIP LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2008

	Notes	Year ended 31 December 2008	8 months ended 31 December 2007
		£	£
Turnover		54,042,297	34,073,563
Operating costs		(48,389,710)	(31,003,880)
Share based payments		(18,335)	(498,382)
Operating profit		<u>5,634,252</u>	<u>2,571,301</u>
Net interest receivable	6	385,410	273,859
Profit on ordinary activities before taxation		<u>6,019,662</u>	<u>2,845,160</u>
Taxation	7	(1,484,218)	(970,169)
Profit on ordinary activities after taxation	13	<u><u>4,535,444</u></u>	<u><u>1,874,991</u></u>

There are no recognised gains or losses other than the retained profit for the year.

All the results above relate to continuing activities.

BARCLAYS STERIA PARTNERSHIP LIMITED

Balance Sheet

As at 31 December 2008

	Notes	31 December 2008 £	31 December 2007 £
Debtors	9	<u>14,525,973</u> 14,525,973	<u>20,849,948</u> 20,849,948
Creditors: amounts falling due within one year	10	<u>(9,865,606)</u>	<u>(13,693,360)</u>
Net current assets		4,660,367	7,156,588
Net assets		<u>4,660,367</u>	<u>7,156,588</u>
Capital and Reserves			
Called up share capital	12	100	100
Profit and loss account		<u>4,660,267</u>	<u>7,156,488</u>
Equity shareholders' funds	13	<u>4,660,367</u>	<u>7,156,588</u>

Approved by the Board on 5 May 2009

Director



BARCLAYS STERIA PARTNERSHIP LIMITED

STATEMENT OF CASH FLOWS for the year ended 31 December 2008

	Notes	Year ended 31 December 2008	8 months ended 31 December 2007
		£	£
Net cash inflow from operating activities	14	7,370,012	876,464
Returns on investments and servicing of finance:			
Interest received		385,410	273,859
Dividends paid	8	(7,050,000)	-
Taxation paid		(689,090)	(1,579,753)
Increase / (decrease) in cash at bank	15	<u>16,332</u>	<u>(429,430)</u>

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts
for the year ended 31 December 2008

1 ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

The Company is exempt from preparing group accounts under s228 of the Companies Act 1985, as its immediate parent and ultimate parent are companies within member states of the European Economic Area (EEA).

Turnover

Turnover comprises the total value of fees and expenses due from external customers after deducting all credits and allowances and excluding value added tax.

All turnover is generated and delivered within the United Kingdom and the Directors consider that the Company operates one continuing class of business, namely that of the provision of computer staff and services.

Contracts in progress

Profits on time and material contracts are recognised in line with the effort expended. Profits on fixed price contracts are taken in proportion to the work performed on each contract relative to the estimated total cost of completing the contract. Provision is made for the whole of any anticipated contract losses as soon as they are identified.

Pensions

The Company participates in a group defined benefit pension scheme. The Company is unable to identify its share of the underlying assets and liabilities in the Plan, as the Plan also covers employees of other Steria companies. Accordingly, the Plan is accounted for as a defined contribution plan, as required by FRS 17 'Retirement Benefits'.

In addition the Company makes contributions to money purchase pension schemes for those employees who wish to participate. Contributions are paid to the scheme so as to secure the benefits set out in the rules. Contributions are charged to the profit and loss account in the period in which they are due.

Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on a non-discounted basis.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based upon tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Dividends

Final dividends proposed by Board of Directors and unpaid at the year end are not recognised in the financial statements until they have been approved by the shareholders in General Meeting. Interim dividends are recognised when they are paid.

Share Based Payments

The Company operates various share based award schemes, all of which are equity settled. The fair value at the date at which the share based awards are granted is recognised in the profit and loss account on a straight line basis over the vesting period, with a corresponding increase in the shareholders equity based on an estimate of the number of shares that will eventually vest. The services received from employees are measured by reference to the fair value of the awards granted.

2 OPERATING PROFIT

	12 months ended 31 December 2008	8 months ended 31 December 2007
This is stated after charging:	£	£
Auditors' remuneration - audit of the financial statements	-	19,845
Share based payments	<u>18,335</u>	<u>498,382</u>

Ernst and Young LLP has not provided any non-audit services to the company during the year (8 months to 31 Dec 2007: £nil).
In the year ended 31st December 2008, the auditor's remuneration was borne by Steria Limited - the company's parent undertaking.

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued)
for the year ended 31 December 2008

3	STAFF COSTS	12 months ended 31 December 2008	8months ended 31 December 2007
		£	£
	Wages and salaries	8,306,107	6,713,044
	Social security costs	770,210	619,440
	Pension costs	2,209,300	1,616,749
	Share based payment charge	18,335	498,382
		<u>11,303,952</u>	<u>9,447,615</u>
	The monthly average number of employees during the year was:	Number	Number
	Technical	180	231
	Administrative	8	8
		<u>188</u>	<u>239</u>

4 DIRECTORS AND THEIR EMOLUMENTS

A list of the Directors who have served during the year is shown in the Directors' Report.

M Aghi, D Burke, J Moran, S Monroe, J Torrie, S Weber, P Feldman, D Leigh, A Nair and P Rakhecha did not receive any emoluments from the Company, or any member of the Steria group of companies in respect of their services as Directors of the Company.

	12 months ended 31 December 2008 £	8months ended 31 December 2007 £
The emoluments of the other Directors were as follows:		
Salaries and bonuses	481,966	287,610
Share based payments	16,845	90,706
	<u>498,811</u>	<u>378,316</u>
Company defined benefit pension scheme contributions	37,029	36,979
Company money purchase pension scheme contributions	13,240	3,497
Members of defined benefit pension schemes	1	2
Members of money purchase pension schemes	1	2

The emoluments of the highest paid Director amount to £279,775 (8 months to 31 December 2007: £151,199), and the pension contributions of the highest paid Director were £37,029 (8 months to 31 December 2007: £23,741).

5 SHARE-BASED PAYMENTS

The Company's share-based payment plans are described in the paragraphs below. Share options granted under these plans usually have a vesting period of 3 years and the calculation of the option value at grant date assumes no early exercise.

Steria Executive Incentive Programme (SEIP)

Introduced in 2008, the Steria Executive Incentive Programme (SEIP) aims to reward Executive Directors and certain senior members of the management team for the delivery of shareholder value and profitable business growth and is underpinned by an individual shareholding requirement which promotes ownership among the senior leadership group.

The key features of the SEIP are:

- Participation is at the approval of the Group CEO
- Any Executive Director or employee of the Company can be invited to participate at the Group CEO's sole discretion
- In order to receive an award under EIP, the participant must commit to hold a number of shares for the duration of the EIP award period. This is 100 shares which must be held by 31 March 2009 and are required to be held throughout the award period to 31 December 2010.

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued) for the year ended 31 December 2008

Sterla Matching and Partnership Shares (SIP)

The SIP was introduced in August 2008. For the 12 months to 31 December 2008, the Board set a matching level of two matching shares for every one partnership shares (up to the first five partnership shares purchased) and following that one matching share for every three partnership shares purchased.

The EIP, MIP, AESOP share based schemes described below are all legacy Xansa share based payment schemes and there were no transactions in the period. All disclosures are made in respect of comparative values only.

Xansa Equity Incentive Plan

Introduced in 2004, the Xansa Equity Incentive Plan (EIP) aims to reward Executive Directors and certain senior members of the management team for the delivery of shareholder value and profitable business growth and is underpinned by an individual shareholding requirement which promotes ownership among the senior leadership group.

The key features of the EIP are:

- It is administered by the Remuneration Committee;
- Any Executive Director or employee of the Company can be invited to participate at the Committee's sole discretion;
- In order to receive an award under EIP, the participant must commit to hold a number of shares for the duration of the EIP award period of five years. This is 10% of pre-tax salary (rising to 15% in respect of individuals who participate for a second time). Individuals have until the end of the financial year immediately following the invitation to satisfy this shareholding commitment.

Participants in EIP will not normally be eligible to participate in the Company's Management Incentive Plan outlined below.

Management Incentive Plan (MIP)

To enable Steria to compete in the recruitment and retention of senior individuals, the Company also operates a Management Incentive Plan under the Xansa 1996 Share Option Scheme.

Options have been granted dependent on the performance of Xansa and the individual, and their seniority. For senior management, the performance conditions for all grants commencing from 30 April 2001, have been set as follows:

- 50% of options become exercisable if average earnings per share growth per annum equals or exceeds UK Retail Price Index plus 4% over a three-year period;
- 75% of options become exercisable if average earnings per share growth per annum equals or exceeds UK Retail Price Index plus 5% over a three-year period;
- 100% of options become exercisable if average earnings per share growth per annum equals or exceeds UK Retail Price Index plus 6% over a three-year period.

All Employee Share Ownership Plan

The employee share arrangements are the Xansa All Employee Share Ownership Plan (AESOP), the Xansa 1996 Share Option Scheme and the ShareSave Scheme.

The AESOP offers all employees the opportunity to acquire shares in three ways:

- By receiving free shares or market value options based on how well Xansa has performed against its targets which are forfeited if the participant does not remain with the Company for three years;
- By buying partnership shares;
- By receiving matching shares or market value options against partnership shares which, like free shares are forfeited if the participant does not remain in the Company for three years.

Free, matching and partnership shares

The AESOP was launched in August 2001. There were no free or matching shares awarded by the AESOP in the 12 month period to December 2008.

ShareSave

Under the ShareSave Scheme all employees can save a fixed amount every month for a period of three years. At the end of that period they can buy Xansa shares at the option price announced at the commencement of the three year period. A share save scheme was not put in place for the 12 months to December 2008.

The Company's share-based payment arrangements are entirely equity-settled and resulted in an expense for the period of £18,335 (8 months to 31 December 2007: £ 498,382).

Share option transactions that have taken place during the period are as follows:

(a) Steria Executive Incentive Plan (SEIP)

	Number 12 months ended 31 December 2008	8 months ended 31 December 2007
Outstanding at beginning of the period	-	-
Granted during the period	3,912	-
Exercised during the period	-	-
Expired during the period	-	-
Outstanding at end of the period	3,912	-

Options granted under the Executive Incentive Plan have a nil exercise price and are valued at the market price on the date of grant of £13.90.

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued)
for the year ended 31 December 2008

(b) Steria Matching and Partnership shares

As part of the Steria Matching and Partnership Share Plan, Steria grants matching shares :

	Number	
	12 months ended 31 December 2008	8 months ended 31 December 2007
Outstanding at beginning of the period	-	-
Granted during the period	2,134	-
Exercised during the period	-	-
Expired during the period	-	-
Outstanding at end of the period	<u>2,134</u>	<u>-</u>

The weighted average remaining life at 31 December 2008 for matching share options granted in 2008 was 2.77 years.

(c) Management Incentive Plan and ShareSave scheme :

Management Incentive Plan:

	Weighted average exercise price (£)		Number	
	12 months ended 31 December 2008	8 months ended 31 December 2007	12 months ended 31 December 2008	8 months ended 31 December 2007
Outstanding at beginning of the period	-	-	-	-
Forfeited during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

ShareSave Scheme:

	Weighted average exercise price (£)		Number	
	12 months ended 31 December 2008	8 months ended 31 December 2007	12 months ended 31 December 2008	8 months ended 31 December 2007
Outstanding at beginning of the period	-	0.83	-	1,003,465
Granted during the period	-	-	-	-
Forfeited during the period	-	0.77	-	(47,810)
Exercised during the period	-	0.84	-	(551,784)
Expired during the period	-	0.84	-	(403,871)
Outstanding at end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

There were no share options granted under the ShareSave scheme and the Management Incentive Plan in the 12 months to 31 December 2008 or in the 8 month period to 31 December 2007.

(d) Equity Incentive Plan

	Number	
	12 months ended 31 December 2008	8 months ended 31 December 2007
Outstanding at the beginning of the period	-	46,400
Granted during the period	-	45,392
Exercised during the period	-	(63,553)
Expired during the period	-	(28,239)
Outstanding at end of the period	<u>-</u>	<u>-</u>

Options granted under the Equity Incentive Plan have a nil exercise price and are valued at £nil, being the market price on the date of grant (8 months to 31 December 2007: 85.75p).

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued)
for the year ended 31 December 2008

(c) Free and Matching Shares

In addition to share options, Xansa grants free and matching shares.

	Matching Shares Number		Free Shares Number	
	12 months ended 31 December 2008	8months ended 31 December 2007	12 months ended 31 December 2008	8months ended 31 December 2007
Outstanding at beginning of the period	-	472,351	-	250,670
Granted during the period	-	16,382	-	-
Forfeited during the period	-	(9,314)	-	(5,576)
Vested during the period	-	(479,419)	-	(245,094)
Outstanding at end of the period	-	-	-	-

6 INTEREST

	Year ended 31 December 2008 £	8 months ended 31 December 2007 £
External interest income	113,480	19,844
Interest receivable from fellow group undertakings	271,930	254,015
	<u>385,410</u>	<u>273,859</u>

7 TAXATION

The charge / (credit) for the year comprises :

	31 December 2008	31 December 2007
UK Corporation tax - current year	1,727,955	1,010,865
Adjustments in respect of prior years	(280,015)	-
Total current tax	1,447,940	1,010,865
Deferred tax	36,278	(40,696)
Tax on profit on ordinary activities	<u>1,484,218</u>	<u>970,169</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows :-

	31 December 2008 £	31 December 2007 £
Profit on ordinary activities before tax	6,019,662	2,845,160
Tax charge on profit on ordinary activities at standard UK corporation tax rate of 28.5% (31 December 2007 : 30%)	1,715,604	853,548
Effects of :		
Expenses not deductible for tax purposes	7,125	10,500
Share based payments	5,226	149,515
Tax relief on shares transferred to AESOP	-	(2,698)
Adjustments to tax charge in respect of previous years	(280,015)	-
Total current tax charge for the year	<u>1,447,940</u>	<u>1,010,865</u>

8 DIVIDENDS

	Year ended 31 December 2008 £	8 months ended 31 December 2007 £
Dividends paid during the year were:		
Final dividend to A shareholders for year ended 30 April 2007	3,500,000	-
Final dividend to A shareholders for 8 months ended 31 December 2007	3,550,000	-
	<u>7,050,000</u>	<u>-</u>
Proposed for approval by shareholders:		
Interim dividend to A shareholders	4,500,000	3,550,000
	<u>4,500,000</u>	<u>3,550,000</u>

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued)
for the year ended 31 December 2008

9	DEBTORS	31 December 2008 £	31 December 2007 £
	Amounts due from related party	12,536,275	3,836,082
	Amounts to be billed to related party	1,943,885	2,107,242
	Other taxes and social security	-	554,938
	Deferred tax asset	45,813	82,091
	Amounts due from parent company	-	4,837
	Amounts due from other group companies	-	14,264,758
		<u>14,525,973</u>	<u>20,849,948</u>
10	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31 December 2008 £	31 December 2007 £
	Trade Creditors	-	65
	Revenue in advance from related party	3,798,587	3,001,611
	Corporation tax	898,804	139,954
	Overdraft	1,155	17,487
	Other creditors and accruals	275,874	86,016
	Other taxes and social security	148,093	-
	Amounts due to related party	4,743,093	10,448,227
		<u>9,865,606</u>	<u>13,693,360</u>
11	PROVISION FOR LIABILITIES AND CHARGES: DEFERRED TAXATION	31 December 2008 £	31 December 2007 £
	Deferred taxation		
	Opening balance	(82,091)	(41,395)
	Movement in the period	36,278	(40,696)
	Disclosure within debtors - note 9	45,813	82,091
	Deferred tax asset	-	-
	The closing deferred tax liability comprises:		
	Short term timing differences	45,813	82,091
		<u>45,813</u>	<u>82,091</u>
12	CALLED UP SHARE CAPITAL	31 December 2008 £	31 December 2007 £
	Authorised		
	49 A ordinary shares of £1 each	49	49
	51 B ordinary shares of £1 each	51	51
		<u>100</u>	<u>100</u>
	Called up, allotted and fully paid		
	49 A ordinary shares of £1 each	49	49
	51 B ordinary shares of £1 each	51	51
		<u>100</u>	<u>100</u>

On a winding up of the Company, the holders of A and B shares rank equally. Holders of A shares have the right to receive a preferred dividend on all profits up to a prescribed level. Thereafter holders of A and B shares are entitled to dividends in proportion to their respective shareholdings.

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued)
for the year ended 31 December 2008

13 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share Capital	Profit & Loss Account	Total
	£	£	£
As at 1 January 2008	100	7,156,488	7,156,588
Profit attributable to shareholders	-	4,535,444	4,535,444
Dividend paid (note 8)	-	(7,050,000)	(7,050,000)
Share based payments	-	18,335	18,335
As at 31 December 2008	100	4,660,267	4,660,367

14 RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31 December 2008	31 December 2007
	£	£
Operating profit	5,634,252	2,571,301
(Increase)/decrease in debtors	6,287,698	1,286,957
Increase/(decrease) in creditors	(4,570,273)	(3,480,176)
Share based payments	18,335	498,382
Net cash inflow from operating activities	7,370,012	876,464

15 ANALYSIS OF CHANGE IN DEBT

	At 31 December 2007	Cash flow	At 31 December 2008
	£	£	£
Cash at bank and in hand	(17,487)	16,332	(1,155)

16 RELATED PARTY TRANSACTIONS

Barclays Steria Partnership Limited is jointly owned by Barclays Bank PLC and Steria Limited which hold 51% and 49% respectively of the issued share capital. In the year ended 31 December 2008 related party transactions as listed below occurred which are required to be disclosed under Financial Reporting Standard No.8.

Steria Limited has received payments from the Company during the year in respect of the supply of IT services. In addition the Company made payments to Steria Limited in respect of the supply of seconded IT resource. On occasions the Company also participated in the Steria group cash pool arrangement.

	Sales to related parties	Purchases from related party	Amounts owing by related party	Amounts owing to related party
	£	£	£	£
Barclays Bank PLC	54,042,297	-	6,099,666	3,798,587
Steria Limited	-	29,026,483	265,696	5,259
Xansa plc (now Steria Corporate Limited)	-	-	8,114,798	4,737,834

In the 8 months ended 31 December 2007 related party transactions were as listed below:

	Sales to related parties	Purchases from related party	Amounts owing by related party	Amounts owing to related party
	£	£	£	£
Barclays Bank PLC	32,432,925	-	3,836,082	-
Steria Limited	1,640,638	28,617,202	4,837	10,448,227
Xansa plc (now Steria Corporate Limited)	-	-	14,264,758	-

BARCLAYS STERIA PARTNERSHIP LIMITED

Notes to the Accounts (continued)
for the year ended 31 December 2008

17 PENSION COSTS

The only significant defined benefit pension plan under FRS 17 'Retirement Benefits' is the Steria Pension Plan (the Plan). The Company is unable to identify its share of the underlying assets and liabilities in the Plan, as the Plan also covers employees of other Steria companies. Accordingly, the Plan is accounted for as a defined contribution plan, as required by FRS 17. The most recent full actuarial valuation (which was conducted as at 31 December 2006) has been updated to 31 December 2008 by a qualified actuary independent of the Group.

The major assumptions used to calculate the scheme liabilities under FRS 17 were:

	12 months to 31 December 2008 % per annum	8 months to 31 December 2007 % per annum
Rate of increase in salaries	3.35	4.15
Rate of increase in deferred pensions and pensions in payment	2.60	2.95-3.15
Discount rate	6.40	5.90
Inflation assumption	2.60	3.15

The assets in the Plan and the expected rate of return were:

	Long term rate of return expected at 31 December 2008 %	Long term rate of return expected at 31 December 2007 %	Value at 31 December 2008 £ million	Value at 31 December 2007 £ million
Equities	7.8	8.0	166.7	205.2
Bonds including (gilts)	6.4% (3.9%)	4.5	77.3	75.4
Cash	2.0	4.5	13.9	5.3
Total market value of assets			247.9	285.9
Actuarial value of liability			(264.1)	(298.7)
Deficit in the Plan			(16.2)	(12.8)
Related deferred tax asset			4.6	3.6
Net pension liability			(11.6)	(9.2)

Contributions to the Plan made by the Company in the year to 31 December 2008 were £2,042,773 (8 months to 31 December 2007: £1,244,438). In addition to this amount, there was an amount of £293,141 (8 months to December 2007: £188,570) made to the Plan by Steria Limited in relation to Steria Limited employees utilised by the Company during the year. The level of contributions is expected to be approximately £2.0 million in the year to 31 December 2009.

The Company makes contributions to a number of defined contribution pension schemes operated by the group in the UK. The main scheme is called the Xansa Money Purchase Pension Scheme and is open to all employees who are not members of the Xansa Pension Plan. These schemes are closed to new members.

As at 31 December 2008 the amount outstanding in respect of the Company's contribution to the Group's defined contribution schemes was £14,128 (31 December 2007: £13,580), contributions made in respect of the year to 31 December 2008 were £172,002 (12 months to 31 December 2007: £109,237).

18 PARENT UNDERTAKING

The Company's immediate parent undertaking is Steria Limited, and its ultimate parent undertaking Groupe Steria SCA. The Groupe Steria SCA Report and Accounts are available to the public and can be obtained from Olivier Psaume, Group Strategy & Investor Relations Director, Groupe Steria SCA, 46, rue Camille Desmoulins, 92782 Issy-Les-Moulineaux, Cedex 9, France. They are also available on the Steria Group's website at www.steria.com.