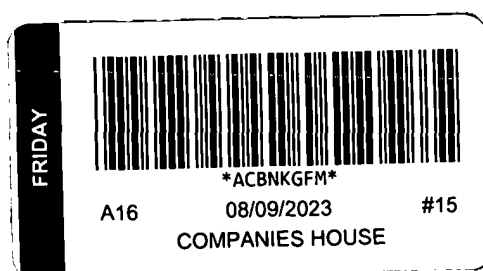


**Registered number in England and Wales: 03545869**

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

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## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors present their annual report together with the audited financial statements of Barclays International Holdings Limited (the 'Company') for the year ended 31 December 2022.

#### **Profits and dividends**

During the year the Company made a profit after tax of £11 (2021: profit after tax of £67). The Directors do not recommend the payment of a final dividend (2021: £Nil).

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

There has not been any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to significantly affect the operations of the Company, the result of those operations, or the state of affairs, in future financial years.

#### **Directors**

The Directors of the Company, who served during the year and up to the date of signing the financial statements, are as shown below:

L Clarke  
R Landauer  
R Stokes  
J Westwood

#### **Going concern**

After reviewing the Company's business activities, financial position, performance projections and available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, 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 UK-adopted international accounting standards 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:

- 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 UK-adopted international accounting standards;
- 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

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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 Barclays Group ('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 14.

#### **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 31 December 2022 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.

#### **Environment**

The Barclays Group focuses on addressing environmental issues where it is felt that there is the greatest potential to make a difference. As the global effort to tackle climate change grows, the Group is moving rapidly to take a leading role in contributing to the transition to a low-carbon economy. In March 2020, the Group set out its ambition to be a net zero bank by 2050.

To successfully fulfil against our purpose, we must ensure that we address the needs of all our stakeholders. This includes our customers and clients, colleagues, investors and the societies in which we operate.

The longevity of our business can only be ensured if we help tackle the challenges of our time, such as social inequality and climate change, whilst minimising any unintended and adverse impacts of our operations and our business as a financial institution. To this end we seek to identify and understand the environmental, social and governance factors which impact our organisation and how we shape and impact the environment and society around us. We do this in the context of the financial services we provide, the geographies in which we operate and the needs of our customers and clients.

We will continue to identify new opportunities and strive to integrate our broader social and environmental impact into the way we run and govern our business and the work we do every day to help customers and clients, colleagues and society.

While we have managed ESG issues for several years, our approach continues to evolve in response to a dynamic external environment, increasing investor and other stakeholder attention and continued innovation in our business and product offerings. We recognise that the focus on the societal impact of businesses and performance against wider ESG factors has increased in recent years, with growing interest from a range of stakeholders including investors, clients, policy makers and regulators.

Disclosure of global greenhouse gas emissions is done at a Barclays Group level with information available in the Barclays PLC Annual Report 2022, which does not form part of this report. with fuller disclosure available on the Barclays website at <https://home.barclays/sustainability/addressing-climate-change/>

#### **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.

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

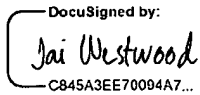
#### **Statement of disclosure of information to auditor**

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 and signed on its behalf:

DocuSigned by:  
  
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Jai Westwood

Director

Date: 31/8/2023

Registered number : 03545869

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

#### **Opinion**

We have audited the financial statements of Barclays International Holdings Limited ("the Company") for the year ended 31 December 2022 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 4.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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").

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.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation.

#### **Fraud and breaches of laws and regulations – ability to detect**

##### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

## BARCLAYS INTERNATIONAL HOLDINGS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS INTERNATIONAL HOLDINGS LIMITED

- Enquiring of Directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue streams are non-complex, contractually driven with little to no subjectivity. We did not identify any additional fraud risks.

We also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual or seldom-used accounts and by individuals who typically do not create or post journal entries.

#### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, whilst the Company is subject to other laws and regulations, we did not identify any others where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

#### **Directors' report**

The Directors are responsible for the 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 those reports have 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 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; or
- 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).



**BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

**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.



**Chris Halford (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London,  
E14 5GL  
Date: 31/08/2023

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
Interest income	5	6	51
Foreign exchange gain	6	8	32
<b>Profit before tax</b>		<b>14</b>	<b>83</b>
Tax expense	10	(3)	(16)
<b>Profit after tax</b>		<b>11</b>	<b>67</b>

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 13 to 23 form an integral part of these financial statements.

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED**  
**REGISTERED NUMBER: 03545869**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	12	168,042	168,028
		<u>168,042</u>	<u>168,028</u>
<b>Total assets</b>		<u>168,042</u>	<u>168,028</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Current tax liability	11	121	118
		<u>121</u>	<u>118</u>
<b>Total liabilities</b>		<u>121</u>	<u>118</u>
<b>Net assets</b>		<u>167,921</u>	<u>167,910</u>
<b>Issued capital and reserves</b>			
Share capital	13	100,000	100,000
Retained earnings		67,921	67,910
<b>TOTAL EQUITY</b>		<u>167,921</u>	<u>167,910</u>

The accompanying notes on pages 13 to 23 form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on [date] and were signed on its behalf by:

DocuSigned by:

*Jai Westwood*

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 Jai Westwood

Director

Date: 31/8/2023

Registered number : 03545869

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>At 1 January 2022</b>	100,000	67,910	167,910
Profit for the year	-	11	11
	-	11	11
<b>Total comprehensive income for the year</b>			
<b>At 31 December 2022</b>	<b>100,000</b>	<b>67,921</b>	<b>167,921</b>

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>At 1 January 2021</b>	100,000	67,843	167,843
Profit for the year	-	67	67
	-	67	67
<b>Total comprehensive income for the year</b>			
<b>At 31 December 2021</b>	<b>100,000</b>	<b>67,910</b>	<b>167,910</b>

The notes on pages 13 to 23 form part of these financial statements.

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flows from operating activities</b>		
Profit before tax	<b>14</b>	83
<b>Adjustments for</b>		
Net foreign exchange gain	<b>(8)</b>	(32)
	<u><b>6</b></u>	<u>51</u>
<b>Movements in working capital:</b>		
Decrease in loan and other receivables	-	103,060
	<u><b>6</b></u>	<u>103,111</u>
<b>Cash generated from operations</b>	<u><b>6</b></u>	<u>103,111</u>
<b>Net cash from operating activities</b>	<u><b>6</b></u>	<u>103,111</u>
<b>Cash flows from investing activities</b>		
	-	-
<b>Net cash from investing activities</b>	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>		
	-	-
<b>Net cash from financing activities</b>	<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	<u><b>6</b></u>	<u>103,111</u>
Cash and cash equivalents at the beginning of year	<b>168,028</b>	64,917
Foreign Exchange gain on cash and cash equivalents	<b>8</b>	-
<b>Cash and cash equivalents at the end of the year</b>	<u><b>168,042</b></u>	<u>168,028</u>

The accompanying notes on pages 13 to 23 form an integral part of the financial statements.

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

These financial statements are prepared for Barclays International Holdings Limited (the 'Company'), the principal activity of which is to act as an investment company.

The financial statements are prepared for the Company only, in line with the UK Companies Act 2006. The parent undertaking of the smallest group that presents consolidated financial statements is Barclays Bank PLC and the ultimate holding company and the parent undertaking of the largest group that presents group financial statements is Barclays PLC, both of which prepare consolidated financial statements in accordance with UK-adopted international accounting standards.

#### **2. Basis of preparation**

The Company financial statements have been prepared in accordance with UK-adopted international accounting standards. 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.

##### **2.1 Basis of measurement**

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, as set out in the relevant accounting policies.

##### **Going Concern**

After reviewing the Company's business activities, financial position, performance projections and available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2.2 New and amended standards**

##### **i) New standards, interpretations and amendments effective from 1 January 2022**

There are no new or amended standards that have had a material impact on the Company's accounting policies.

##### **ii) New standards, interpretations and amendments not yet effective**

There are no new or amended standards that are expected to have a material impact on the Company's accounting policies.

The following accounting standards have been issued by the IASB but are not yet effective:

#### **Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021 the IASB issued amendments to IAS 1 that require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on the concept of materiality and its application to accounting policy information. Under the amendments, accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual periods beginning on or after 1 January 2023, and will be applied from that date.

#### **Definition of Accounting Estimate - Amendments to IAS 8**

In February 2021, the IASB issued amendments to IAS 8 that replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are clarified as monetary amounts in financial statements that are subject to measurement uncertainty. Where an entity's accounting policy requires an item to be measured at monetary amounts that cannot be observed directly, it should develop an accounting estimate to achieve this objective. The amendments are effective for annual periods beginning on or after 1 January 2023, and will be applied from that date.

#### **Classification of Liabilities as current or non-current- Amendments to IAS 1**

In January 2020 the IASB issued amendments to IAS 1 to clarify the presentation of liabilities in the balance sheet, with an effective date of 1 January 2024. The amendments clarify that a liability should be classified as non-current only if the entity has the right to defer settlement of the liability for at least 12 months after the reporting period, and that (i) the right to defer settlement must exist at the end of the reporting period and (ii) management's intentions or expectations about whether it will exercise its right to defer settlement does not affect the classification. Further clarifications include how lending conditions affect classification and classification of liabilities the entity will or may settle by issuing its own equity instruments. In October 2022, the IASB also issued further amendments to IAS 1 to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants, and to respond to stakeholders' concerns about the classification of such a liability as current or non-current.

### **3. Functional and presentation currency**

These financial statements are presented in pounds sterling, the currency of the country in which the Company is incorporated. All amounts have been rounded to the nearest pound unless otherwise indicated.

## BARCLAYS INTERNATIONAL HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4. Significant accounting policies

##### 4.1 Foreign currency translation

The Company applies IAS 21 The Effects of Changes in Foreign Exchange Rates. Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Foreign currency monetary balances are translated into Sterling at the period end exchange rates. Exchange gains and losses on such balances are taken to the income statement. Non-monetary foreign currency balances in relation to items measured in terms of historical cost are carried at historical transaction date exchange rates. Non-monetary foreign currency balances in relation to items measured at fair value are translated using the exchange rate at the date when the fair value was measured.

##### 4.2 Interest

Interest income or expense is 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.

##### 4.3 Current and deferred tax

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 to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences except from the initial recognition of goodwill. Deferred tax is not recognised where the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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.

##### 4.4 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.



**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****4. Significant accounting policies (continued)*****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 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 are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

**Financial assets and liabilities measured at amortised cost**

Financial assets are 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 SPPI. Financial liabilities are held at amortised cost except for those held for trading or designated at fair value through profit and loss.

In determining whether the business model is a 'hold to collect' model, the objective of the business model must be to hold the financial asset to collect contractual cash flows rather than holding the financial asset for trading or short-term profit taking purposes. While the objective of the business model must be to hold the financial asset to collect contractual cash flows this does not mean the Company is required to hold the financial assets until maturity. When determining if the business model objective is to collect contractual cash flows the Company will consider past sales and expectations about future sales.

For financial assets and liabilities which are held at amortised cost the initial fair value (which is normally the amount advanced or borrowed) is adjusted for repayments and the amortisation of coupon, fees and expenses to represent the effective interest rate of the asset or liability. Balances deferred on-balance sheet as effective interest rate adjustments are amortised to interest income over the life of the financial instrument to which they relate.

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

Financial assets are 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 SPPI.

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.

## **BARCLAYS INTERNATIONAL HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **4. Significant accounting policies (continued)**

##### **Financial assets and liabilities at fair value through profit or loss**

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income, as described above are measured at fair value through profit or loss (FVTPL).

A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

##### **Accounting for financial assets mandatorily at fair value through profit or loss**

Financial assets are held at fair value through profit or loss if they do not contain contractual terms that give rise on specified dates to cash flows that are SPPI, or if the financial asset is not held in a business model that is either (i) a business model to collect the contractual cash flows or (ii) a business model that is achieved by both collecting contractual cash flows and selling. Subsequent changes in fair value for these instruments are recognised in the income statement in net investment income, except if reporting it in trading income reduces an accounting mismatch..

##### **Accounting for financial assets designated at fair value through profit or loss**

Financial assets, other than those held for trading, are classified in this category if they are so irrevocably designated at inception and the use of the designation removes or significantly reduces an accounting mismatch.

Subsequent changes in fair value are recognised in the income statement in net investment income.

##### **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.

##### **Financial liabilities**

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

#### **4.5 Share capital**

Share capital classified as equity, provided that there is no present obligation to deliver cash or another financial asset to the holder, is shown in called up share capital, and the costs associated with the issuance of shares, net of tax are recorded as a deduction from equity.

#### **4.6 Dividends on ordinary shares**

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

#### **4.7 Cash and cash equivalents**

Cash comprises cash on hand and balances at central banks. Cash equivalents comprise loans and advances to banks, cash collateral balances with central banks related to payment schemes and treasury and other eligible bills, all with original maturities of three months or less. Repurchase and reverse repurchase agreements are not considered to be part of cash equivalents. Investments in debt securities at amortised cost, presented within loans and advances on the balance sheet, are deemed to be investing activities for the purposes of the cash flow statement, except those instruments considered to be cash equivalents.

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****4. Significant accounting policies (continued)****4.8 Critical accounting estimates**

The preparation of financial statements in accordance with UK-adopted international accounting standards 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.

**5. Interest income****Recognised in profit or loss**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest income on cash and cash equivalents	<b>6</b>	<b>51</b>
	<u><b>6</b></u>	<u><b>51</b></u>

**6. Foreign exchange gain**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Foreign exchange gain	<b>8</b>	<b>32</b>
	<u><b>8</b></u>	<u><b>32</b></u>

**7. Audit fee**

The audit fees of £5,900 for the 2022 year end (2021: £5,410) have been borne by the Company's parent Barclays Bank 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's.

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****8. Directors' emoluments**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the Directors of the Company listed on page 2.

The Directors are employed and remunerated by other companies within the Barclays Group and consider that their services to the company are incidental to their other responsibilities within the Barclays Group. The Directors' remuneration in respect of their qualifying services for the company is considered to be trivial.

During the period:

3 Directors are accruing retirement benefits under a defined benefit scheme or defined contribution scheme (2021: 2).

No Directors exercised options under the Barclays PLC Sharesave Scheme and Long Term Incentive schemes during 2022 (2021: nil)

4 Directors are entitled to benefits under the Share Value Plan (2021: 4).

**9. Staff costs**

The Company has no direct employees during 2022 or 2021. All Staff providing services to the Company are contracted from Barclays Bank PLC. All costs in this respect have not been recharged to the Company.

**10. Tax expense****10.1 Income tax recognised in profit or loss**

	2022 £	2021 £
<b>Current tax</b>		
Current tax on profits for the year	(3)	(16)
	<u>(3)</u>	<u>(16)</u>
<b>Total tax expense</b>		
Tax credit/ (expense)	(3)	(16)
	<u>(3)</u>	<u>(16)</u>

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****10. Tax expense (continued)****10.1 Income tax recognised in profit or loss (continued)**

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
(Loss)/Profit after tax	<b>11</b>	<b>67</b>
Income tax credit/(expense)	<b>(3)</b>	<b>(16)</b>
	<u><b>14</b></u>	<u><b>83</b></u>
Profit before income taxes		
Tax using the Company's domestic tax rate of 19% (2021:19%)	<b>(3)</b>	<b>(16)</b>
	<u><b>(3)</b></u>	<u><b>(16)</b></u>
<b>Total tax expense</b>	<b>(3)</b>	<b>(16)</b>

**Changes in tax rates and factors affecting the future tax charges**

The UK corporation tax rate of 19% has been used to calculate current tax balances for the year ended 31 December 2022.

Legislation has been introduced to increase the main rate of corporation tax from 19% to 25%, effective from 1 April 2023, which was substantively enacted on 24 May 2021. This will have a consequential impact on the Company's future tax charge.

**11. Current tax liability**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Group relief payable	<b>(121)</b>	<b>(118)</b>
	<u><b>(121)</b></u>	<u><b>(118)</b></u>

**12. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank balance held with Barclays Bank PLC	<b>168,042</b>	<b>168,028</b>
<b>Total</b>	<u><b>168,042</b></u>	<u><b>168,028</b></u>

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****13. Share capital****Authorised****Issued and fully paid**

	<b>2022 Number</b>	<b>2022 £</b>	<b>2021 Number</b>	<b>2021 £</b>
<b>Ordinary shares of £1.00 each</b>				
At 1 January and 31 December	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

**14. Financial risks**

The Company's activities expose it to a variety of financial risks. The Company is required to follow the requirements of the Barclays Group ('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. 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 of suffering financial loss, should any of the Company's customers or market counterparties fail to fulfil their contractual obligations to the Company.

The Company assesses all counterparties on a portfolio basis to ensure the credit risk is maintained within

Barclays Group risk management policy guidelines. The Company monitors its exposures and seeks to minimize its credit exposures by monitoring the credit rating of its counterparties in accordance with Barclays Group risk management policies. The Company's assets are neither past due or impaired. The Company's assets are of investment grade.

**Maximum exposure to credit risk**

The Company's maximum exposure to credit risk is disclosed in the table below. As the Company holds no collateral or credit enhancements, this is the same as the balance sheet exposure.

	<b>2022 £</b>	<b>2021 £</b>
Cash and cash equivalents	168,042	168,028
	<b>168,042</b>	<b>168,028</b>

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The table below describes the Company's credit exposure by industry type:

	2022	2021
	£	£
Financial institutions	168,042	168,028
<b>Total</b>	<b>168,042</b>	<b>168,028</b>

**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 maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Company has sufficient available funds for operations. The monitoring and reporting of liquidity risk take the form of cash flow measurements and projections for the next day, week and month as these are key periods for liquidity management. Sources of liquidity are regularly reviewed.

**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.

**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 & loans and receivables.

**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 31 December 2022. The Company has no net non-trading floating rate financial assets or liabilities.

**e) Foreign currency risk**

The Company is exposed to foreign exchange fluctuations on the cash balance denominated in USD. The net impact to the foreign exchange fluctuations is deemed immaterial to the Company. The Company has no other balances in foreign currencies and is not exposed to additional foreign currency risk.

**15. 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. Barclays Bank PLC is the immediate parent undertaking and controlling party. Cash and loan balances are held within the Barclays group. During the year there have been no other transactions with related parties other than transactions disclosed in the notes 5, 7, 8, 11, 12, 13, and 17 to the financial statements.

**BARCLAYS INTERNATIONAL HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****16. Capital management**

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern.
- To maintain an optimal capital structure in order to reduce the cost of capital.
- To maintain an AA capital rating.
- To generate sufficient capital to support asset growth.
- To manage foreign currency exposures.

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

The Company regards as capital its equity, as shown in the Statement of Financial Position,

Total capital is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Share capital	<b>100,000</b>	100,000
Retained earnings	<b>67,921</b>	67,910
<b>Total capital resources</b>	<b><u>167,921</u></b>	<b><u>167,910</u></b>

**17. Parent undertaking and ultimate holding company**

The Company is a subsidiary undertaking of Barclays Bank PLC which is the immediate parent company incorporated in United Kingdom. The ultimate controlling party is Barclays PLC which is the ultimate holding company.

The largest group in which the results of the Company are consolidated is that headed by Barclays PLC, 1 Churchill Place London E14 5HP England. The smallest group in which they are consolidated is that headed by Barclays Bank PLC, 1 Churchill Place London E14 5HP England / No other group financial statements include the results of the Company.

The consolidated financial statements of these groups are available to the public and may be obtained from Barclays Corporate Secretariat, 1 Churchill Place London E14 5HP.