

SHOOTERS GROVE HOLDINGS LIMITED

Report and Financial Statements For the year ended 31 December 2006



REGISTERED NUMBER IN ENGLAND AND WALES: 4848288

SHOOTERS GROVE HOLDINGS LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2006

The directors present their report together with the audited financial statements for the year ended 31 December 2006

Review of business and future outlook

The principal activity of the Company is to act as an investment company. No significant change in this activity is envisaged in the foreseeable future and the directors expect the company's performance to be in line with the current period.

The directors have reviewed the Company's business and performance and consider it to be satisfactory for the period. The directors consider that the Company's position at the end of the period is consistent with the size and complexity of the business.

Given the nature of the business, the Company's directors are of the opinion that analysis using Key Performance Indicators (KPI's) is not necessary for an understanding of the development, performance or position of the business.

Results and Dividends

During the year the Company made a profit after taxation of CAD\$68,039,262 (2005: CAD\$65,022,651). The directors declared and paid a dividend of CAD\$59,400,000 for the year (2005: CAD\$60,000,000) on the ordinary shares. A dividend of CAD\$13,300,000 (2005: CAD\$ nil) was declared on the redeemable shares. The directors consider that the performance of the Company has been satisfactory during the year.

Directors

The directors of the Company, who served during the year, together with their dates of appointment and resignation, where appropriate, are as shown below:

L Humphries

A Ioannidis (resigned 22 March 2006)

E Kendall (resigned 31 May 2006)

R Phelps

G M F Brawn (appointed 22 November 2006)

Directors' Interests in Shares

(as defined by section 325 the Companies Act 1985)

The directors have no interests in the shares of the Company. The directors of the Company are also directors of Barclays Directors Limited and their interests in the ordinary shares of Barclays PLC, the ultimate holding company, are disclosed in the accounts of that company.

Derivatives and financial instruments

The Company's directors are required to follow the requirements of the Barclays Group risk management policies. These policies include specific guidelines on the management of foreign exchange and interest rate risk, and advice on the use of financial instruments to manage risk. The directors ensure that the Company complies with the guidelines. The Company has entered into derivatives to manage its risk, details of which are provided in note 12.

SHOOTERS GROVE HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

For the year ended 31 December 2006

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the Auditors' Report, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements

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

The directors consider that in preparing the financial statements,

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and
- that all the accounting standards which they consider to be applicable have been followed, and
- that the financial statements have been prepared on a going concern basis

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with the Companies Act 1985

Each of the directors in office as at the date of this report confirms that

- there is no relevant audit information of which the company's auditors are unaware, and
- that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

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

Auditors

On 24 January 2005, an Elective Resolution was passed by the shareholders of the Company pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint Auditors annually PricewaterhouseCoopers LLP have indicated their willingness to continue in office

BY ORDER OF THE BOARD



Director
For and on behalf of
Shooters Grove Holdings Limited

10 May 2007

SHOOTERS GROVE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHOOTERS GROVE HOLDINGS LIMITED

We have audited the financial statements of Shooters Grove Holdings Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

In addition we 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.

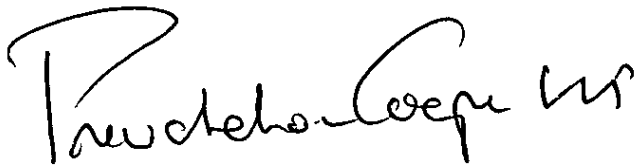
SHOOTERS GROVE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHOOTERS GROVE HOLDINGS LIMITED (CONTINUED)

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 2006 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



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London, United Kingdom

Date 16 May 2007

SHOOTERS GROVE HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 CAD\$	2005 CAD\$
Administrative expenses		3,882	1,239
Operating profit		<u>3,882</u>	<u>1,239</u>
Interest receivable and similar income	4	55,196	29,475
Income from fixed asset investments		68,000,000	65,000,000
Profit on ordinary activities before taxation	5	<u>68,059,078</u>	<u>65,030,714</u>
Tax on profit on ordinary activities	6	(19,816)	(8,063)
Profit on ordinary activities after taxation		<u>68,039,262</u>	<u>65,022,651</u>
Dividends paid		(72,700,000)	(60,000,000)
Retained profit / (loss) brought forward		5,012,247	(10,404)
Retained profit carried forward		<u><u>351,509</u></u>	<u><u>5,012,247</u></u>

All recognised gains and losses are included in the profit and loss account. The profit on ordinary activities is derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes to the accounts form an integral part of these financial statements.

SHOOTERS GROVE HOLDINGS LIMITED

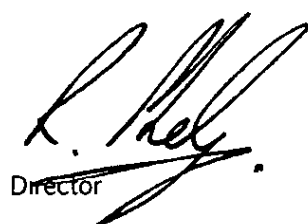
BALANCE SHEET AS AT 31 DECEMBER 2006

	Notes	2006 CAD\$	2005 CAD\$
FIXED ASSET INVESTMENTS	7	726,000,000	726,000,000
CURRENT ASSETS			
DEBTORS Amounts falling due within one year	8	384,497	5,033,246
CREDITORS Amounts falling due within one year	9	(696,032,988)	(696,020,999)
NET CURRENT LIABILITIES		<u>(695,648,491)</u>	<u>(690,987,753)</u>
NET ASSETS		<u>30,351,509</u>	<u>35,012,247</u>
CAPITAL AND RESERVES			
Called up share capital	10	30,000,000	30,000,000
Profit and loss account		351,509	5,012,247
TOTAL SHAREHOLDERS' FUNDS	11	<u>30,351,509</u>	<u>35,012,247</u>

A reconciliation of movements in shareholders' funds is given in note 11

The notes to the financial statements form an integral part of these financial statements

The financial statements were approved by the Board of Directors on 10 May 2007


Director

SHOOTERS GROVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force

Functional Currency

The Company's principal activities are undertaken in Canadian dollars and for this reason the accounts are prepared in Canadian dollars

Revenue Recognition

Dividend income is recognised in the profit and loss account on the date the Company becomes obliged to receive a dividend under a contractual agreement. Interest income and expense is recognised on an accruals basis

Taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Foreign Exchange

Assets and liabilities in foreign currencies are translated into Canadian dollars at the exchange rate ruling at the balance sheet date except where rates of exchange are fixed under contractual arrangements. Trading results denominated in foreign currencies are translated into Canadian dollars at average rates of exchange during the year unless a contracted rate applied. All other exchange profits and losses, which arise from normal trading activities, are included in the profit and loss account

Investments

Investment securities are stated at cost less any provision for impairment. Investment securities are intended for use on a continuing basis by the Group and have been identified as such. Any discount or premium on acquisition is amortised on an effective yield basis through the profit and loss statement over the period that the security is held by the Company

Consolidated financial statements

The financial statements contain information about Shooters Grove Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Barclays Bank PLC, a company registered in England and Wales

SHOOTERS GROVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

Derivative Financial Instruments

The Company is party to financial instruments, including put options. The put options have been recorded at market value.

2 CASH FLOW STATEMENT

The Company's ultimate holding company has adopted the provisions of Financial Reporting Standard 1 ("FRS 1") revised 1996, Cash Flow Statements. Accordingly the Company, which is a wholly owned subsidiary of Barclays Bank PLC, has elected to utilise the exemption provided in FRS 1 not to produce a cash flow statement.

3 DIRECTORS' EMOLUMENTS

The directors did not receive any emoluments in respect of their services to the Company during the year (2005 Nil).

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	2006 CAD\$	2005 CAD\$
Interest receivable from group undertakings	55,196	29,475

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2006 CAD\$	2005 CAD\$
Loss on ordinary activities before taxation is stated after charging -		
Auditors' remuneration		
Audit Services	-	-

There were no employees employed by the Company during the year (2005 Nil). The audit fee is borne by the Company's ultimate holding company, Barclays PLC. Although the audit fee is borne by the ultimate holding company, the fee that would have been charged to the company amounts to CAD\$7,400 for the period. This fee is not recognised as an expense in the financial statements.

SHOOTERS GROVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2006 CAD\$	2005 CAD\$
United Kingdom corporation taxation for the year	(17,723)	(9,214)
Foreign exchange Current year	(2,093)	1,151
	<u>(19,816)</u>	<u>(8,063)</u>

The UK corporation tax charge is based on a standard UK corporation tax rate of 30%. The effective tax rate is different than the standard tax rate as a result of foreign exchange and non-taxable items. This difference is explained below:

	2006 CAD\$	2005 CAD\$
Profit on ordinary activities before taxation	68,059,078	65,030,714
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax in the UK of 30% (2005: 30%)	(20,417,723)	(19,509,214)
Effects of:		
Foreign exchange Current year	(2,093)	1,151
Non-taxable UK dividend income	20,400,000	19,500,000
Current tax charge for the year	<u>(19,816)</u>	<u>(8,063)</u>

7 FIXED ASSET INVESTMENTS

	Investment in subsidiary CAD\$
At 31 December 2005	726,000,000
At 31 December 2006	<u>726,000,000</u>

The Company owns 100% of the ordinary share capital of Myers Grove Investments Limited, a company incorporated in England & Wales. The subsidiary's principal activity is that of an investment company. In the opinion of the directors, the value of the company's investments in its subsidiary undertaking, are not less than the amount stated in the balance sheet.

SHOOTERS GROVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 DEBTORS Amounts falling due within one year

	2006 CAD\$	2005 CAD\$
Amounts due from group undertaking	384,497	5,033,246
	<u>384,497</u>	<u>5,033,246</u>

9 CREDITORS Amounts falling due within one year

	2006 CAD\$	2005 CAD\$
Amounts due to group undertaking	641,013,715	641,013,063
Redeemable shares	55,000,000	55,000,000
Corporation tax payable	19,273	7,936
	<u>696,032,988</u>	<u>696,020,999</u>

Details of the redeemable shares issued by the Company are given below

	2006 CAD\$	2005 CAD\$
Authorised		
100,000,000 redeemable shares of CAD\$ 1.00 each	100,000,000	100,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
Allotted and fully paid		
55,000,000 redeemable shares of CAD\$ 1.00 each	55,000,000	55,000,000
	<u>55,000,000</u>	<u>55,000,000</u>

The redeemable shares rank pari passu with the ordinary shares save that the Company or any holder of fully paid redeemable shares, may subject to the provisions of the Companies Act 1985 (as amended), at any time, redeem such shares upon giving not less than one week's notice in writing of the date proposed for redemption. The redeemable shares carry the same voting rights as the ordinary shares. The redeemable shares carry the equal rights to any residual interest in the assets of the company after deducting its liabilities upon the winding up of the Company, or the return of capital. The holders of the redeemable shares are entitled to dividends at the sole discretion of the directors of the Company.

SHOOTERS GROVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 CREDITORS Amounts falling due within one year (continued)

The Company shall redeem the whole of the redeemable shares that are outstanding on 31 August 2033, or as soon thereafter as the Company shall be able to comply with the statutory provisions for the time being affecting such redemption

10 CALLED UP SHARE CAPITAL

	2006 CAD\$	2005 CAD\$
Authorised		
50,000,000 ordinary shares of CAD\$1.00 each	50,000,000	50,000,000
	<hr/> 50,000,000	<hr/> 50,000,000
Allotted and fully paid		
30,000,000 ordinary shares of CAD\$1.00 each	30,000,000	30,000,000
	<hr/> 30,000,000	<hr/> 30,000,000

The ordinary shares rank *pari passu* with the redeemable shares (note 9). The ordinary shares carry equal rights with the redeemable shares to any residual interest in the assets of the company after deducting its liabilities upon the winding up of the Company, or the return of capital.

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 CAD\$	2005 CAD\$
Profit for the year	68,039,262	65,022,651
Dividend paid	(72,700,000)	(60,000,000)
(Decrease) / increase in shareholders' funds	<hr/> (4,660,738)	<hr/> 5,022,651
Opening shareholders' funds	35,012,247	29,989,596
Closing shareholders' funds	<hr/> 30,351,509	<hr/> 35,012,247

SHOOTERS GROVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

12 DERIVATIVES AND CONTINGENT ASSETS AND LIABILITIES

On 18 August 2004, the Company entered into an agreement to guarantee the obligations of its subsidiary, Myers Grove Investments Limited, to pay the net repurchase price of CAD\$3,277,000,000 for the 3,277 "B" Shares sold to a third party under a sale and repurchase agreement

On 18 August 2004, the Company entered into a put option agreement with a third party investor over 3,277 cumulative redeemable shares issued by Loxley Investments Limited, a Cayman Islands registered subsidiary of the Company. The terms of the put option allow the Company to sell the cumulative redeemable shares at any time prior to 19 August 2033. The strike price of the put option is CAD\$3,277,000,000, representing the paid up capital on the cumulative redeemable shares.

Also, on the 18 August 2004, the Company issued a put option to Myers Grove Investments Limited over the 3,277 cumulative redeemable shares issued by Loxley Investments Limited. The terms of the put option allow Myers Grove Investments Limited to sell the cumulative redeemable shares to the Company at any time prior to 19 August 2033. The strike price of the put option is CAD\$3,176,936,805.

The put options described above have been valued and recorded in the financial statements of the Company at market value. The put options at 31 December 2006 had no significant market value.

13 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Barclays Bank PLC, the consolidated financial statements of which are publicly available. During the year there have been no undisclosed transactions with related parties other than group companies.

14 PARENT UNDERTAKING AND ULTIMATE PARENT COMPANY

The parent undertaking of the smallest group that presents group accounts is Barclays Bank PLC. The ultimate parent company and controlling party is Barclays PLC, which is the parent company of the largest group that presents group accounts. Barclays Bank PLC's and Barclays PLC's statutory accounts are available from the Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP.