Relative Value Trading Limited

Report and Financial Statements
For the year ended 31 December 2015

REGISTERED NUMBER IN ENGLAND & WALES: 6817403

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Registered Number in England & Wales: 6817403

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Relative Value Trading Limited
Registered Number in England & Wales: 6817403

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their annual report together with the audited financial statements of Relative Value Trading Limited (the 'Company') for year ended 31 December 2015.

Results and dividends

During the year, the Company made a profit for the financial year of $376,880 (2014: loss $83,291). As at 31 December 2015, the Company has net assets of $639,244 (2014: net assets $262,364). The Directors do not recommend the payment of a dividend (2014: $nil).

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:

C Gyte	(appointed 16 March 2015, resigned 24 November 2015)
A Jordanov	
E Khairov	(resigned 16 March 2015)
T Morjaria	(appointed 24 August 2015, resigned 24 November 2015)
A Shah	
J Walthoe	

Since the year end, P Voisey was appointed as a Director on 19 January 2016.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, the directors have also elected to comply with IFRSs, issued by the International Accounting Standards Board (IASB). 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 accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union, and IFRSs as issued by the International Accounting Standards Board (IASB), have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of directors' responsibilities (continued)

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' third party indemnity provisions

Qualifying third party indemnity provisions were in force during the course of the year ending 31 December 2015 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 which may occur (or have occurred) in connection with their duties, powers or office.

Financial instruments

The Company operates within the Barclays financial risk management objectives and policies. These include a policy for hedging each major type of forecast transaction for which hedge accounting is used. The exposures to price risk, credit risk and liquidity risk are set out in note 17 'Financial Risks.'

Independent auditors

PricewaterhouseCoopers LLP will continue to hold office in accordance with section 487 of the Companies Act 2006.

Statement of disclosure of information to auditors

So far as the Directors are 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.

BY ORDE OF THE BOARD

Name: JONATHAN WALTHOE
Director
Date: 08/06/16

Relative Value Trading Limited
Registered Number in England & Wales: 6817403

STRATEGIC REPORT
For the year ended 31 December 2015

Review and principal activities

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.

Business performance

The results of the Company show a profit for the financial year of $376,880 (2014: loss of $83,291). As at 31 December 2015, the Company has net assets of $639,244 (2014: $262,364). Net decrease in cash and cash equivalents for 2015 was $3,998 (2014: net decrease $142,250,503).

Future outlook

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

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Barclays PLC group and are not managed separately. Accordingly, the principal risks and uncertainties of Barclays PLC, which include those of the Company, are discussed in the Group's annual report which does not form part of this report.

Key performance indicators

The Directors of Barclays PLC manage the group's operations on a business cluster basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Company, is discussed in the Barclays PLC annual report which does not form part of this report.

BY ORDER OF THE BOARD

Director
Name: JONATHAN WALTHOE
Date: 08/06/16

Independent auditors' report to the members of Relative Value Trading Limited

Report on the financial statements

Our opinion

In our opinion, Relative Value Trading Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2015;
- the Income Statement for the year then ended;
- the Cash Flow Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Lawrence Wilkinson

Lawrence Wilkinson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 June 2016

Relative Value Trading Limited
Registered Number in England & Wales: 6817403

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 $	2014 $
Interest receivable	5	48,314,901	48,138,820
Interest payable	6	(47,845,735)	(48,260,495)
Net interest income/(expense)		469,166	(121,675)
Other income		-	15,000
Profit/(Loss) before tax		469,166	(106,675)
Tax	10	(92,286)	23,384
Profit/(Loss) after tax		376,880	(83,291)

The profit/(loss) after tax is derived from continuing activities. 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 form an integral part of these financial statements.

Relative Value Trading Limited

Registered Number in England & Wales: 6817403

BALANCE SHEET AS AT 31 DECEMBER 2015

	Note	31 December 2015 $	31 December 2014 $
ASSETS			
Non-current assets			
Loans and receivables	11	1,764,524,145	1,765,243,403
Total non-current assets		1,764,524,145	1,765,243,403
Current assets			
Cash and cash equivalents	12	13,648,633	13,652,631
Current taxation	13	-	473
Total current assets		13,648,633	13,653,104
TOTAL ASSETS		1,778,172,778	1,778,896,507
LIABILITIES			
Current liabilities			
Current taxation	13	(91,813)	-
Borrowings	14	-	(230,000)
Total current liabilities		(91,813)	(230,000)
NET CURRENT ASSETS		13,556,820	13,423,104
Non-current liabilities			
Borrowings	14	(1,777,441,721)	(1,778,404,143)
Total non-current liabilities		(1,777,441,721)	(1,778,404,143)
NET ASSETS		639,244	262,364
SHAREHOLDERS' EQUITY			
Called up share capital	15	230,000	230,000
Retained earnings		409,244	32,364
TOTAL SHAREHOLDERS' EQUITY		639,244	262,364

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

The financial statements were approved by the Board of Directors and authorised for issue on 8 June 2016 and signed on its behalf by:

....

Name: JONATHAN WAGTHOS

Date: 08/06/16

Relative Value Trading Limited
Registered Number in England & Wales: 6817403

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 DECEMBER 2015

	Called up share capital	Retained earnings	Total Equity
	$	$	$
Balance at 1 January 2015	230,000	32,364	262,364
Profit after tax	-	376,880	376,880
Balance at 31 December 2015	**230,000**	**409,244**	**639,244**

	Called up share capital	Retained earnings/ (Accumulated losses)	Total Equity
	$	$	$
Balance at 1 January 2014	25,000,100	(11,445,970)	13,554,130
Loss after tax	-	(83,291)	(83,291)
Cancellation of ordinary shares	(24,770,100)	11,561,625	(13,208,475)
Balance at 31 December 2014	**230,000**	**32,364**	**262,364**

Relative Value Trading Limited
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 $	2014 $
NET CASH GENERATED FROM OPERATING ACTIVITIES			
Cash generated from operations	16	-	15,000
NET CASH GENERATED FROM OPERATING ACTIVITIES		-	15,000
CASH FLOWS GENERATED FROM INVESTING ACTIVITIES			
Interest received		49,034,159	48,142,780
NET CASH GENERATED FROM INVESTING ACTIVITIES		49,034,159	48,142,780
CASH FLOWS USED IN FINANCING ACTIVITIES			
Interest paid		(48,808,157)	(47,265,156)
Repayment of promissory note		-	(143,100,375)
Proceeds from increase in RVTL note		-	12,935,723
Payments on cancellation of ordinary shares		-	(13,208,475)
(Repayment of)/Proceeds from borrowed funds		(230,000)	230,000
NET CASH USED IN FINANCING ACTIVITIES		(49,038,157)	(190,408,283)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(3,998)**	**(142,250,503)**
Cash and cash equivalents at start of the year		13,652,631	155,903,134
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		13,648,633	13,652,631
CASH AND CASH EQUIVALENTS COMPRISE:			
Cash at hand	12	945,240	965,916
Deposits with group undertakings	12	12,703,393	12,686,715
		13,648,633	**13,652,631**

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

These financial statements are prepared for Relative Value Trading Limited (the "Company"), the principal activity of which is to act as an investment company. The financial statements are prepared for the Company only. 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 International Financial Reporting Standards ('IFRS'), and accordingly consolidated financial statements have not been prepared based on the exemption provided under paragraph 4(a) of IFRS 10.

The Company is a limited company incorporated and domiciled in England and Wales. The Company's registered office is:

1 Churchill Place
London
E14 5HP

2. COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations (IFRICs) issued by the Interpretations Committee, as published by the International Accounting Standards Board (IASB). They are also in accordance with IFRS and IFRIC interpretations endorsed by the European Union. The principal accounting policies applied in the preparation of the financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied.

3. BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IAS 39, 'Financial Instruments, recognition, and measurement' as set out in the relevant accounting policies. They are presented in US dollars, the currency of the country in which the Company is incorporated.

These financial statements have been prepared under the Companies Act 2006 as applicable to the companies using International Financial Reporting Standards (IFRS).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied.

Revenue recognition
Revenue is recognised in the income statement when it is probable that the economic benefits associated with the transaction will be received by the Company. Revenue is reported at the fair value of the consideration received or receivable.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest
Interest income or expense is recognised on all interest bearing financial assets classified as held to maturity, available for sale or other loans and receivables, and on interest bearing financial liabilities, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument. The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment.

Fees and commissions
Fees and commissions are recognised when the service is provided.

Foreign currency translation
Items included in the financial statements of the Company are measured using their functional currency, being US Dollars (USD), the currency of the primary economic environment in which the Partnership operates.

Foreign currency transactions are translated into US dollars using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the period end. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in the income statement.

Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Exchange differences on equities and similar non-monetary items held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on equities classified as available-for-sale financial assets and non-monetary items are included directly in equity.

Current tax
Income 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 probable that it is recoverable by offset against current or future taxable profits.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets and liabilities
The Company recognises financial instruments from the contract date, and continues to recognise them until, in the case of assets, the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership, or in the case of liabilities, until the liability has been settled, extinguished or has expired.

Financial assets are initially recognised at fair value and then classified in the following categories and dealt with in the financial statements as follows:

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as available for sale. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. Loans and receivables are stated at amortised cost using the effective interest method. They are initially recognised at fair value including direct and incremental transaction costs. They are subsequently valued at amortised cost, using the effective interest method. They are derecognised when the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership.

Financial liabilities
Financial liabilities are measured at amortised cost, except for trading liabilities and liabilities designated at fair value, which are held at fair value through profit or loss. Financial liabilities are derecognised when extinguished. The Company's financial liabilities comprise trade and other payables and borrowings in the balance sheet.

Impairment of financial assets
The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a portfolio of financial assets, including trade receivables, is impaired. The factors that the Partnership uses include significant financial difficulty of the debtor or the issuer, a breach of contract or default in payments, the granting by the Company of a concession to the debtor because of a deterioration in its financial condition, the probability that the debtor will enter into bankruptcy or other financial reorganisation, or, in the disappearance of an active market for a security because of the issuer's financial difficulties.

For loans and receivables the Company first assesses whether objective evidence of impairment exists individually for individually significant loans and receivables, and then collectively assesses remaining loans and receivables that are not individually significant. The amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

Cash and cash equivalents
For the purposes of the cash flow statement, cash comprises cash on hand, demand deposits, and cash equivalents. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months.

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 are recorded as a deduction from equity.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical accounting estimates
The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the individual financial statements such as financial risks (Note 17).

New and amended standards
The accounting policies adopted are consistent with those of the previous financial year, except where new standards and amendments to IFRS effective as of 1 January 2015 have resulted in changes in accounting policy. There are no new amended standards that have had a material impact on the Company's accounting policies.

Future accounting developments
There are expected to be a number of significant changes to the Company's financial reporting after 2015 as a result of amended or new accounting standards that have been or will be issued by the IASB. The most significant of these are as follows:

In 2014, the IASB issued IFRS 9 Financial Instruments ("IFRS 9") which will replace IAS 39 Financial Instruments: Recognition and Measurement. It will lead to significant changes in the accounting for financial instruments. The key changes relate to:

- Financial assets: Financial assets will be measured at either fair value through profit or loss or amortised cost, except for debt instruments meeting specific criteria, which are required to be measured at fair value through other comprehensive income, or equity investments not held for trading, which may be measured at fair value through other comprehensive income;
- Financial liabilities: The accounting for financial liabilities is largely unchanged, except for non-derivative financial liabilities designated at fair value through profit or loss. Gains and losses on such financial liabilities arising from changes in Barclays own credit risk will be presented in other comprehensive income rather than in profit or loss;
- Impairment: Credit losses expected at the balance sheet date (rather than only losses incurred in the year) on loans, debt securities, loan commitments and financial guarantees not held at fair value through profit or loss will be reflected in impairment allowances and is expected to result in the earlier recognition of losses that are dependent on the economic forecast; and
- Hedge accounting: Hedge accounting will be more closely aligned with financial risk management.

IFRS 9 is not required to be applied until periods beginning on or after 1 January 2018. EU endorsement is expected during 2016. A joint Risk and Finance programme was incepted by Barclays Group in 2014 to implement the requirements.

5. INTEREST RECEIVABLE

	2015	2014
	$	$
Interest receivable from group undertakings	48,314,901	48,138,820
	48,314,901	48,138,820

6. INTEREST PAYABLE

	2015	2014
	$	$
Interest payable to group undertakings	(47,845,735)	(48,260,495)
	(47,845,735)	(48,260,495)

7. PROFIT BEFORE TAX

The audit fee is borne by another group company. Although the audit fee is borne by another group company, the fee that would have been charged to the Company amounts to $10,300 for the year ended 31 December 2015 (2014: $10,300). This fee is not recognised as an expense in the financial statements.

8. DIRECTORS' EMOLUMENTS

The Directors did not receive any emoluments in respect of their services to the Company during the year (2014: $nil). During the year, 0 Directors (2014: 0) exercised options under the Barclays PLC Sharesave Scheme and Long Term Incentive schemes.

9. STAFF COSTS

There were no employees employed by the Company during 2015 or 2014.

10. TAX

	2015	2014
	$	$
UK corporation tax	92,286	(23,384)
Total tax charge/(credit)	92,286	(23,384)

The UK corporation tax charge is based on a blended UK corporation tax rate of 20.25% (2014: 21.5%).

The overall tax (charge)/credit is explained in the following table:

	2015	2014
	$	$
Profit/(Loss) before tax	469,166	(106,675)
Profit/(Loss) multiplied by the blended rate of corporation tax in the UK of 20.25% (2014: 21.5%)	95,006	(22,935)
Foreign exchange effect	(2,720)	(449)
Overall tax charge/(credit)	92,286	(23,384)

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. LOANS AND RECEIVABLES

	2015	2014
	$	$
Amounts due from group undertakings - principal	1,760,500,000	1,760,500,000
Amounts due from group undertakings - interest	4,024,145	4,743,403
	1,764,524,145	1,765,243,403

The loans and receivables represent unsecured floating rate senior and junior notes with a subscription amount of $499,500,000 and $1,261,000,000 respectively. The notes have a maturity date of 26 November 2025 from RVT CLO Investments LLP. The senior note carries interest of 3 month US Dollar Libor plus 10 basis points and the junior note carries interest of 3 month US Dollar Libor plus 267.5 basis points.

See note 17 for additional information on loans and receivables. The fair value of the Company's loans and receivables as at 31 December 2015 is $1,784,203,680 (2014: $1,796,102,490)

12. CASH AND CASH EQUIVALENTS

	2015	2014
	$	$
Cash at hand	945,240	965,916
Deposits with group undertakings	12,703,393	12,686,715
	13,648,633	13,652,631

13. CURRENT TAXATION

	2015	2014
	$	$
Group relief – current tax (liability)/asset	(91,813)	473

14. BORROWINGS

	2015	2014
	$	$
Current borrowings:		
Amounts due to parent undertaking – principal	-	(230,000)
	-	(230,000)
Non-current borrowings:		
Amounts due to parent undertaking – principal	(1,773,435,723)	(1,773,435,723)
Amounts due to parent undertaking - interest	(4,005,998)	(4,968,420)
	(1,777,441,721)	(1,778,404,143)

14. BORROWINGS (continued)

Borrowings include unsecured floating rate senior and junior notes with a subscription amount of $512,435,723 and $1,261,000,000 respectively. The notes have a maturity date of 26 November 2025.

The notes are repayable at the option of the borrower upon giving five business days' written notice to the lender, if the unsecured floating rate note held by the Company is redeemed. The lender has no option to redeem the loan until maturity date. The senior note entitles the holder to receive a return of 3 month US Dollar Libor plus 10 basis points and the junior note entitles the holder to receive a return of 3 month US Dollar Libor plus 265.5 basis points. These notes are listed on the Cayman Islands Stock Exchange (initially listed on 26 November 2015).

All the borrowings are with companies in the Barclays Group of which the Company is a member. The fair value of the Company's borrowings as at 31 December 2015 is $1,795,085,882 (31 December 2014: $1,809,072,367).

Additional details in respect of the Company's borrowings are detailed in note 17.

15. CALLED UP SHARE CAPITAL

	Number of shares	Ordinary shares $	Total $
As at 1 January 2015	230,000	230,000	230,000
As at 31 December 2015	230,000	230,000	230,000
As at 1 January 2014	25,000,100	25,000,100	25,000,100
Shares cancelled	(24,770,100)	(24,770,100)	(24,770,100)
As at 31 December 2014	230,000	230,000	230,000

	2015 $	2014 $
Authorised, allotted and fully paid:		
230,000 (2014: 230,000) Ordinary shares of $1 each	230,000	230,000

The holders of the ordinary shares are entitled to vote at the general meetings of the Company and are entitled to receive such dividends as Directors may declare. The ordinary shares are not redeemable. The holders of the ordinary shares are entitled to participate in the distribution of any surplus assets of the Company.

16. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO CASH GENERATED FROM OPERATIONS

	2015 $	2014 $
Profit/(Loss) before tax	469,166	(106,675)
Interest receivable	(48,314,901)	(48,138,820)
Interest payable	47,845,735	48,260,495
CASH GENERATED FROM OPERATIONS	-	15,000

17. FINANCIAL RISKS

The Company's activities expose it to a variety of financial risks. These are liquidity risk, credit risk and market risk (which includes foreign currency risk, interest rate risk and price risk).

The Company's Directors are required to follow the requirements of the Barclays Group risk management policies. The policies includes specific guidelines on the management of foreign exchange, interest rate and credit risks, and advise on the use of financial instruments to manage them. The Company seeks to minimize its exposure to liquidity, credit and market risk by applying these policies, and monitors exposures on a portfolio basis.

Liquidity risk

This is the risk that the Company's cash and committed facilities may be insufficient to meet its debts as they fall due. The Company has the financial support of the parent undertaking Barclays Bank PLC, it also maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Company has sufficient available funds for operations.

The table below presents the cash flows payable by the Company under financial liabilities by remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows of all financial liabilities.

As at 31 December 2015:	**Borrowings** $
Financial liabilities repayable;	
- One year or less	49,354,445
- Over 1 year but not more than 2 years	60,572,327
- Over 2 years but not more than 5 years	216,988,821
- Over 5 years but not more than 10 years	2,178,192,187
Total	2,505,107,780

As at 31 December 2014:	**Borrowings** $
Financial liabilities repayable;	
- One year or less	1,819,196,270
Total	1,819,196,270

17. FINANCIAL RISKS (continued)

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers or market counterparties fail to fulfill their contractual obligations to the Company. The Company manages its credit risk by contracting with entities within the Barclays Group. The Company's assets are neither past due or impaired.

The Company's maximum exposure to credit risk is detailed in the table below. The exposure reported in the table represents the gross receivable amounts and not the fair value. The exposure is reported gross and does not include any collateral or other credit risk mitigants which reduce the Company's exposure.

As at 31 December 2015

	Loans and receivables	Cash and cash equivalents	Total
	$	$	$
Carrying value	1,764,524,145	13,648,633	1,778,172,778

As at 31 December 2014

	Loans and receivables	Cash and cash equivalents	Total
	$	$	$
Carrying value	1,765,243,403	13,652,631	1,778,896,034

The Company does not hold any collateral as security. The credit quality of the loans and receivables and cash and cash equivalents is that of the ultimate parent company, Barclays Plc.

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

As at 31 December 2015

	Loans and receivables	Cash and cash equivalents	Total
	$	$	$
Financial Institutions	1,764,524,145	13,648,633	1,778,172,778

As at 31 December 2014

	Loans and receivables	Cash and cash equivalents	Total
	$	$	$
Financial Institutions	1,765,243,403	13,652,631	1,778,896,034

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.

17. FINANCIAL RISKS (continued)

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 interest rate risk arises from interest on its loans and receivables and borrowings.

Interest rate sensitivity analysis

The sensitivity of the income statement to movements in interest rates is the effect of assumed changes in interest rates on the net interest income for one period, based on the floating rate non-trading financial assets and financial liabilities held at 31 December 2015, including the effect of hedging instruments. The Company has short term floating rate non-trading net financial assets of $13,648,509 (2014: $13,652,631).

Impact on net interest income

The Company has considered the effect on interest of a 100 basis point change. This analysis has been performed by applying a 100 basis point change to the outstanding principal of the net interest bearing positions at the year end. The impact would be as follows:

	+100 basis points 2015	-100 basis points 2015
Total $	136,455	(138,455)
As a percentage of net interest income	(29)%	29%

	+100 basis points 2014	-100 basis points 2014
Total $	136,526	(136,526)
As a percentage of net interest income	(112)%	112%

Foreign currency risk

The Company records its UK corporation tax in pounds and it is exposed to foreign exchange fluctuations on this tax balance, refer to note 10 and 13 for further details. The Company has no other balances in foreign currencies and is not exposed to additional foreign currency risk.

Price risk

Price risk is the risk that market prices for the Company's investment securities measured at fair value may fall. The Company is not exposed to price risks.

18. FAIR VALUES OF FINANCIAL INSTRUMENTS

The fair values of financial instruments are disclosed in the respective notes to the financial statements. Loans and receivables and borrowings have been classified as Level 2.

Valuation methodology

A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations based on unobservable inputs is described below.

Valuation technique using observable inputs- Level 2

Assets and liabilities classified as Level 2 have been valued using models whose inputs are observable in an active market. Valuations based on observable inputs include assets and liabilities such as swaps and forwards which are valued using market standard pricing techniques, and options that are commonly traded in markets where all the inputs to the market standard pricing models are observable.

19. 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.

Relative Value Investments UK LLP is the parent undertaking and controlling party. During the year there have been no other transactions with related parties other than transactions disclosed in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. CAPITAL MANAGEMENT

The Company is required to follow the risk management policies of Barclays Bank PLC, its ultimate parent, which include guidelines covering capital management. The capital management objectives and policies for Barclays Bank PLC can be found in its financial statements.

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.

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

Total capital of the Company is as follows:

	As at 31 December 2015 $	As at 31 December 2014 $
Called up share capital	230,000	230,000
Retained earnings	409,244	32,634
Total capital resources	**639,244**	**262,634**

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

21. CONTINGENT LIABILITIES AND COMMITMENTS

The following table summarises the nominal principal amount of contingent liabilities and commitments which are not recorded on balance sheet:

	As at 31 December 2015 $	As at 31 December 2014 $
Guarantees	7,013,451	7,014,144

Guarantees are given as security to support the performance of a group undertaking to Barclays Bank PLC. The main types of guarantees provided are financial guarantees given to Barclays Bank PLC to secure loans. As the Company will only be required to meet these obligations in the event of the affiliate's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

22. PARENT UNDETAKING AND ULTIMATE HOLDING COMPANY

The immediate parent entity of Relative Value Trading Limited is Relative Value Investments UK LLP. The parent undertaking of the smallest group that presents consolidated financial statements is Barclays Bank PLC. The ultimate holding Company and the parent Company of the largest group that presents group financial statements is Barclays PLC. Both companies are incorporated in Great Britain and registered in England. Barclays Bank PLC's and Barclays PLC's statutory financial statements are available for public use from the Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP.