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CPIA INVESTMENTS NO. 1 LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

REGISTERED NUMBER: MC-175679 (CAYMAN ISLANDS)
FC027168 (UNITED KINGDOM)

CPIA Investments No. 1 Limited

Directors' Report and Financial Statements

For the Year Ended 31 December 2017

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CPIA Investments No. 1 Limited

Directors' Report

For the Year Ended 31 December 2017

The Directors present their annual report together with the audited financial statements of CPIA Investments No 1 Limited (the "Company") for the year ended 31 December 2017

Profit and dividends

During the year, the Company made a profit after tax of $41,218,000 (2016: loss of $4,348,000). The Directors do not recommend the payment of a final dividend (2016: $nil). An interim dividend of $31,028,000 was paid during the year (2016: $nil)

Post balance sheet events

On 5 June 2018, Barclays Equity Holdings Limited became the immediate parent entity of Northwharf Investments Limited, the immediate parent of the Company. Barclays PLC remains the ultimate parent company of Barclays Equity Holdings Limited

Directors

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

M Beastall	(resigned 10 August 2017)
G Chapman	
J Ferrier	(appointed 9 August 2017)
D McKay	(appointed 9 August 2017 and resigned 25 July 2018)
J Mistry	(appointed 9 August 2017)
C Schulze	(resigned 10 August 2017)
S Tait	(appointed 9 August 2017)

Since the year end, D McKay resigned as Director on 25 July 2018

Going concern

After reviewing the Company's performance projections and the available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

Statement of Directors' responsibilities in respect of the financial statements

The following statement, which should be read in conjunction with the Auditors' report set out on page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the accounts.

The Directors are required by the Companies Act 2006 to prepare accounts for each financial year. The Directors have prepared the accounts in accordance with International Financial Reporting Standards ('IFRS') to present fairly the financial position of the Company and the performance for that period. The Companies Act 2006 provides, in relation to such accounts, that references to accounts giving a true and fair view are references to fair presentation

The Directors consider that in preparing the financial statements on pages 6 to 9

- 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 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

Financial risk management

The Company's activities are exposed to a variety of financial risks The Company is required to follow the requirements of the Group risk management policies, which include specific guidelines on the management of foreign exchange, interest rate and credit risks, and advice on the use of financial instruments to manage them The main financial risks that the Company is exposed to are outlined in Note 17.

Directors' Report (continued)

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 2017 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.

Independent auditors

KPMG LLP has been appointed by the Company to hold office in accordance with s.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.

FOR AND ON BEHALF OF THE BOARD

S Tait
Director
19 October 2018
Company number
MC-175679 (Cayman Islands)
FC027168 (United Kingdom)

CPIA Investments No. 1 Limited

Strategic Report

For the Year Ended 31 December 2017

Business 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 and the Directors expect the Company's performance in the foreseeable future to continue to achieve the goals of the Company

Business performance

The results of the Company show a profit after tax of $41,218,000 for the year (2016. loss of $4,348,000). The Company has net liabilities of $16,350,000 (2016. $26,535,000) Net cash flow from operating activities for the year was $29,000 (2016: $14,000)

Future outlook

The Directors have reviewed the Company's business and performance and consider it to be satisfactory for the year. The Directors consider that the Company's position at the end of the year is consistent with the normal course of business for a business of this nature.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks affecting the Company are set out in the note 'Financial Risks' on pages 17 to 18 Risks are formally reviewed by the Board and appropriate processes put in place to monitor and mitigate them

Key performance indicators

The directors of Barclays PLC (the "Group") 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 Group are discussed on page 206 of the Barclays PLC Annual Report which does not form part of this report

FOR AND ON BEHALF OF THE BOARD

S Tait
Director
19 October 2018
Company number
MC-175679 (Cayman Islands)
FC027168 (United Kingdom)

KPMG

Independent auditor's report to the Directors of CPIA Investments No.1 Limited

Opinion

We have audited the non-statutory accounts of CPIA Investments No.1 Limited ("the Company") for the year ended 31 December 2017 which comprise the Statement of comprehensive income, Statement of financial position, Statement of Changes in Equity, Cash flow statement and related notes, including the accounting policies in note 4.

In our opinion the non-statutory accounts of the company for the year ended 31 December 2017 have been properly prepared, in all material respects, in accordance with the special purpose basis of preparation and accounting policies set out in notes 3 and 4 to the non-statutory accounts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800, and the terms of our engagement letter dated 16 July 2018. 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.

Emphasis of matter – special purpose basis of preparation

We draw attention to Note 3 and 4 to the non-statutory accounts, which describes their basis of preparation. As explained in these notes, the non-statutory accounts are prepared in accordance with the Overseas Companies Regulations 2009 (SI 2009/1801) made under section 1049 of the Companies Act 2006 (the "Regulations"). The Company has applied Section 396 of the Companies Act 2006, as modified by the Regulations, in producing overseas companies individual financial statements. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the non-statutory accounts. We have nothing to report in these respects.

Other information

The directors are responsible for the other information, which comprises the Directors and Strategic reports. Our opinion on the non-statutory accounts does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our non-statutory accounts audit work, the information therein is materially misstated or inconsistent with the non-statutory accounts or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the terms of our engagement we are required to report to you if, in our opinion:

- the Company has not kept proper/adequate accounting records;
- we have not received all the information and explanations we require for our audit; or
- information regarding Directors' remuneration and other transactions is not disclosed

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 1, the directors are responsible for the preparation of the financial statements. They are also responsible for being satisfied that financial statements give a true and fair view; such internal control as they determine is necessary to enable

KPMG

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 non-statutory accounts 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 non-statutory accounts.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

Our report has been prepared for the Company solely in accordance with the terms of our engagement It has been released to the Company on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of the Company determined by the Company's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

Sarah Ward
For and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 19/10/2018

CPIA Investments No. 1 Limited

Statement of comprehensive income

For the Year Ended 31 December 2017

	Note	2017 $'000	2016 $'000
Continuing operations			
Foreign exchange gain / (loss)		2	(3)
Other income	5	44,185	-
Operating loss		**44,187**	**(3)**
Interest income	6	53	95
Interest expense	7	(3,031)	(4,421)
Profit / (Loss) before tax		**41,209**	**(4,329)**
Tax	10	9	(19)
Profit / (Loss) after tax		**41,218**	**(4,348)**

The accompanying notes form an integral part of these financial statements

Profit for the year 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.

CPIA Investments No. 1 Limited (Registered Number MC-175679)

Statement of financial position

As at 31 December 2017

ASSETS	Note	2017 $'000	2016 $'000
Non-current assets			
Investment in subsidiaries	11	9,022	74,675
Total non-current assets		**9,022**	**74,675**
Current assets			
Current tax assets	13	46	37
Financial assets			
- Loans and other receivables	12	3,090	22,910
Cash and cash equivalents		2,899	2,771
Total current assets		**6,035**	**25,718**
Total assets		**15,057**	**100,393**
LIABILITIES			
Current liabilities			
Financial liabilities			
- Short-term borrowings	14	31,407	126,928
Total current liabilities		***31,407***	***126,928***
Net current liabilities		**(25,372)**	**(101,210)**
Total net liabilities		**(16,350)**	**(26,535)**
EQUITY			
Share capital	15	56	61
Other reserves		157,930	157,930
Accumulated losses		(174,336)	(184,526)
Total equity		**(16,350)**	**(26,535)**

The accompanying notes form an integral part of these financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 16 October 2018 and were signed on its behalf by

S Tait

S Tait
Company number
MC-175679 (Cayman Islands)
FC027168 (United Kingdom)
19 October 2018

CPIA Investments No. 1 Limited

Statement of Changes in Equity

For the Year Ended 31 December 2017

	Share capital	Other reserves	Accumulated losses	Total equity
	$'000	$'000	$'000	$'000
At 1 January 2017	**61**	**157,930**	**(184,526)**	**(26,535)**
Profit after tax	-	-	41,218	**41,218**
Issuance of ordinary shares	-	-	-	-
Redemption of ordinary shares	(5)	-	-	(5)
Dividends paid	-	-	(31,028)	**(31,028)**
At 31 December 2017	**56**	**157,930**	**(174,336)**	**(16,350)**

	Share capital	Other reserves	Accumulated losses	Total equity
	$'000	$'000	$'000	$'000
At 1 January 2016	**61**	**157,930**	**(180,178)**	**(22,187)**
Loss after tax	-	-	(4,348)	**(4,348)**
At 31 December 2016	**61**	**157,930**	**(184,526)**	**(26,535)**

The accompanying notes form an integral part of these financial statements

Additional information relating to the other reserve is included in Note 16

CPIA Investments No. 1 Limited

Cash Flow Statement

For the Year Ended 31 December 2017

Continuing Operations	2017 $'000	2016 $'000
Reconciliation of profit before tax		
Profit / (Loss) before tax	41,209	(4,329)
Adjustments and non-cash items:		
Foreign exchange (gain) / loss	(2)	4
Dividend income from subsidiary undertakings	(42,465)	-
Reversal of impairment of investment in subsidiary undertakings	(1,720)	-
Changes in operating assets and liabilities:		
Net increase in loans and other receivables	(23)	(82)
Net increase in trade and other payables	3,030	4,421
Cash from operating activities	29	14
Tax paid	-	-
Net cash generated from operating activities	**29**	**14**
Cash flows from investing activities		
Investment in subsidiaries	(981)	-
Capital redemption	68,354	-
Purchases of loans and other receivables	(3,150)	-
Disposals of loans and other receivables	22,994	-
Dividends received	42,465	-
Net cash from investing activities	**129,682**	-
Cash flows from financing activities		
Proceeds from borrowed funds and debt securities	4,131	24,294
Repayments of borrowed funds and debt securities	(26,090)	(24,294)
Proceeds from issued preference shares	981	-
Repayments of issued preference shares	(77,574)	-
Repayments of issued ordinary shares	(5)	-
Dividends paid	(31,028)	-
Net cash used in financing activities	**(129,585)**	-
Effect of exchange rate changes	2	(3)
Net increase in cash and cash equivalents	**128**	**11**
Cash and cash equivalents at beginning of year	2,771	2,760
Cash and cash equivalents at end of year	**2,899**	**2,771**
Cash and cash equivalents comprise:		
Cash at bank	2,899	2,771
Cash and cash equivalents at end of year	**2,899**	**2,771**

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

1. Reporting entity

On 5 June 2018, Barclays Equity Holdings Limited became the immediate parent entity of Northwharf Investments Limited, the immediate parent of the Company. Barclays PLC remains the ultimate parent company of Barclays Equity Holdings Limited

These financial statements are prepared for CPIA Investments No. 1 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 PLC and the ultimate controlling party and the parent undertaking of the largest group that presents group financial statements is Barclays PLC (the "Group"), the Group prepares consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, and interpretations issued by the IFRS Interpretations Committee ("IFRS IC"), as published by the International Accounting Standards Board ("IASB"), and accordingly consolidated financial statements have not been prepared

The Company is a limited company incorporated and domiciled in the Cayman Islands. The address of the registered office of the Company is:

PO Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

2. Compliance with International Financial Reporting Standards

The financial statements have been prepared in accordance with the Overseas Companies Regulations 2009 (SI 2009/1801) made under section 1049 of the Companies Act 2006 (the "Regulations") The Company has applied Section 396 of the Companies Act 2006, as modified by the Regulations, in producing overseas companies' individual financial statements. 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 thousands of US dollars ($), which is the Company's functional currency

The accounting structure of the Company departs from IFRS as follows:

i) Subsidiaries which are primarily investment companies are not held at fair value but rather are held at cost and assessed for impairment in line with IAS 36 'Impairment of Assets'.

CPIA Investments No 1 Limited ("the Company"), has net liabilities of $16,350,000 as at 31 December 2017. Northwharf Investments Limited ("NIL"), the immediate parent of the Company, has provided a letter of support confirming its intention that the Company will be supported by sufficient financial resources to enable it to fulfil its financial obligations as a going concern for the foreseeable future and at a minimum for the next 12 months After reviewing the Company's performance projections and taking into account the support available from NIL, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future As with any company placing reliance on other group entities for financial support, the Directors acknowledges that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. For this reason, the Directors have adopted the going concern basis in preparing these financial statements

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

(a) Foreign currency translation

Items included in the financial statements of the Company are measured using their functional currency, being US Dollar ($), the currency of the primary economic environment in which the entity operates.

Foreign exchange transactions are translated into US Dollar using the exchange rates prevailing at the dates of the transactions Monetary items denominated in foreign currencies are retranslated at the rate prevailing at year 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

4. Summary of significant accounting policies (continued)

(b) Dividend income

Dividend income is recognised when the right to receive payment is established, which is when the dividends are received or the dividends are appropriately authorised

(c) 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

(d) 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 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 year end to maturity or repayment.

(e) Current income tax

Income tax payable on taxable profits ("current tax") is recognised as an expense in the year 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

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

(f) 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 other receivables

Loans and other 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, which are classified as non-current assets. Loans and other receivables are stated at amortised costs using the effective interest method (see above). They are initially recognised at fair value including direct and incremental transaction costs They are subsequently measured at amortised cost, using the effective interest method. They are derecognised when the rights to received cash flows have expired or the Company has transferred substantially all the risk and rewards of ownership.

Financial liabilities

Financial liabilities are measured at amortised cost, except for 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 borrowings and financial liabilities designated at fair value in the balance sheet

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 bid value in an active market wherever possible Where no such active market exists for the particular asset, the Company uses a valuation technique to arrive at the fair value. Valuations are made in accordance with the International Private Equity and Venture Capital Valuation Guidelines and are consistent with the guidance of IFRS 13, 'Fair value measurement' Methods of valuation used include, but are not limited to, the price of recent investment, discounted cash flow and net asset method The General Partners have assessed whether any changes or events subsequent to the purchase of the investment have implied a change in its fair value

Impairment of financial assets

The Company assesses at each balance sheet date whether there is objective evidence that loans and other receivables are impaired. The factors that the Company 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

4. Summary of significant accounting policies (continued)

The Company also considers observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, arising from adverse changes in the payment status of borrowers in the portfolio and national or local economic conditions that correlate with defaults on assets in the portfolio.

For loans and other receivables the Company first assesses whether objective evidence of impairment exists individually for individually significant loans and other receivables, and then collectively assesses remaining loans and other 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.

Netting

Financial assets and liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously.

(g) Investments in subsidiaries

Investments in subsidiaries are reported at cost less impairment, if any

(h) Issued debt and equity securities

Debt securities

Issued financial instruments or their components are classified as liabilities where the contractual arrangement results in the Company having a present obligation to either deliver cash or another financial asset to the holder, to exchange financial instruments on terms that are potentially unfavourable or to satisfy the obligation otherwise than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity shares Issued financial instruments, or their components, are classified as equity where they meet the definition of equity and confer on the holder a residual interest in the assets of the Company. The components of issued financial instruments that contain both liability and equity elements are accounted for separately with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component.

Financial liabilities, other than financial liabilities designated at fair value, are carried at amortised cost using the effective interest method.

(i) Share capital and dividends

Share issue costs

Incremental costs directly attributable to the issue of new shares or options or the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

Dividends on ordinary shares

Dividends on ordinary shares and discretionary dividends on preference shares are recognised in equity in the year in which they are paid or, if earlier, approved by the Company's shareholder

(j) Cash and cash equivalents

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

(k) Critical accounting estimates and judgements

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the future Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

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 2017 have resulted in changes in accounting policy.

4. Summary of significant accounting policies (continued)

IAS 7 Disclosure Initiative - Amendments to IAS 7

The amendments to IAS 7 Statement of Cash Flows are part of the IASB's Disclosure Initiative and help users of financial statements better understand changes in an entity's debt The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses) *There is no impact to the Company on adopting this standard.*

Future accounting developments

Relevant pronouncements issued but not yet effective at the date of issuance of the Company's financial statements are listed below.

(i) IFRS 9, 'Financial Instruments'

IFRS 9 Financial Instruments (IFRS 9) which will replace IAS 39 Financial Instruments· Recognition and Measurement is effective for periods beginning on or after 1 January 2018 and was endorsed by the EU in November 2016. IFRS 9, in particular the impairment requirements, will lead to significant changes in the accounting for financial instruments. Barclays will not restate comparatives on initial application of IFRS 9 on 1 January 2018 but will provide detailed transitional disclosures in accordance with the amended requirements of IFRS 7. The key changes relate to:

Classification and measurement
IFRS 9 requires financial assets to be classified on the basis of two criteria.
1) the business model within which financial assets are managed, and
2) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest').

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

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

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.

IFRS 9 is applied retrospectively, although comparatives are not restated, with adjustments arising from classification and measurement changes recognised in opening equity

The Company's Classification and Measurement implementation programme has progressed throughout 2017 and 2018 and an assessment of potential changes to financial assets has been conducted, including an assessment of business models across various portfolios, and a review of contractual cash flow features for material financial assets.

Work is on-going to assess the impact of IFRS 9 on the Company, based on current analysis the effect on retained earnings is not expected to be material

(ii) IFRS 15 ' Revenue from Contracts with Customers'

In 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers which will replace IAS 18 Revenue and IAS 11 Construction Contracts It applies to all contracts with customers except leases, financial instruments and insurance contracts. The standard establishes a more systematic approach for revenue measurement and recognition by introducing a five-step model governing revenue recognition. The five-step model includes 1) identifying the contract with the customer, 2) identifying each of the performance obligations included in the contract, 3) determining the amount of consideration in the contract, 4) allocating the consideration to each of the identified performance obligations and 5) recognising revenue as each performance obligation is satisfied. In April 2016, the IASB issued clarifying amendments to IFRS 15 which provide additional application guidance but did not change the underlying principles of the standard. The standard was endorsed by the EU in September 2016

The Company will implement this standard on 1 January 2018 The Company has elected the cumulative effect transition method with a transition adjustment calculated as of 1 January 2018 and recognised in retained earnings without restating comparatives IFRS 15 requires certain incremental 'costs to obtain a contract' and certain 'costs to fulfill a contract' to be capitalised on balance sheet and amortised on a systematic basis consistent with the transfer of goods / services to the customer. There are no significant impacts from the adoption of IFRS 15 in relation to the timing of when the Company recognises its revenue.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company

5. Other income

	2017 $'000	2016 $'000
Dividend income from subsidiary undertakings	42,465	-
Reversal of impairment of investment in subsidiary undertakings	1,720	-
Total	***44,185***	**-**

6. Interest income

	2017 $'000	2016 $'000
Bank interest received	30	13
Interest receivable from Group undertakings	23	82
Total	**53**	**95**

7. Interest expense

	2017 $'000	2016 $'000
Preference share dividends payable to Group undertakings	2,951	4,332
Preference share dividends payable to third parties	-	-
Interest payable to Group undertakings	80	89
Total	**3,031**	**4,421**

8. Profit before tax

The Company's 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 $10,421 for the year (2016: $11,230) This fee is not recognised as an expense in the financial statements

9. Employee and key management, including Directors

Staff costs
There were no employees employed by the Company during 2017 or 2016.

Directors' remuneration
The Directors did not receive any emoluments in respect of their services to the Company during the year (2016· $nil).

10. Taxation

The analysis of the (credit) / charge for the year is as follows·

	2017 $'000	2016 $'000
Current tax:		
Current year	(9)	19

The main rate of UK corporation tax is 20% feom 1 April 2015 to 31 March 2017 Legislation has been introduced to reduce the main rate of UK corporation tax to 19% from 1 April 2017 and 17% from 1 April 2020.

A numerical reconciliation of the tax expense and product of accounting profit multiplied by the applicable tax rate is as follows:

	2017 $'000	2016 $'000
Profit / (Loss) before tax	41,209	(4,329)
Tax credit at average UK corporation tax rate of 19.25% (2016: 20%)	7,931	(866)
Adjustments in respect of prior years	-	10
Non deductible expenses	568	867
Foreign exchange difference	(4)	8
Income not taxable	(8,504)	-
Overall tax (credit) / charge	**(9)**	**19**
Effective tax rate	(0 02)%	0 45%

11. Investment in subsidiaries

	2017	2016
	$'000	$'000
Balance as at 1 January	74,675	74,675
Additions	981	-
Reversal of impairment	1,720	-
Capital redemption	(68,354)	-
As at 31 December	**9,022**	**74,675**

Name of subsidiary	Registered Office Address	Class of Shares/Units	Name of immediate parent	Total proportion of nominal value held by immediate parent (%)
CPIA Equity No 1, Inc.	*The Corporation Trust Company* Corporation Trust Center 1209 Orange Street Wilmington Delaware 19801 United States of America	*Ordinary shares*	*CPIA Investments No. 1 Limited*	*100*

The Directors believe that the carrying value of the investment is supported by its underlying net assets.

12. Loans and other receivables

	2017	2016
	Current	Current
	$'000	$'000
Amounts due from Group undertakings	**3,090**	**22,910**

13. Current tax

Current tax assets were as follows:

	2017	2016
	$'000	$'000
UK corporation tax receivable	**46**	**37**

14. Debt and borrowings

An analysis of the Company's borrowings is as follows:

	2017	2016
	Current	Current
	$'000	$'000
Amounts due to Group undertakings	3,589	25,468
Fixed rate preference shares issued to Group undertakings	27,818	101,460
Total borrowings	**31,407**	**126,928**

The Directors consider that the carrying value of the Company's loans and receivables approximates to their fair value

Amounts due to Group undertakings are transacted at market rates.

The Company has issued preference shares as follows

	Number of shares	Preference shares	Share premium	Total
	'000	$'000	$'000	$'000
Balance as at 1 January 2017	**88,898**	**1**	**84,903**	**84,904**
Shares issued during the year	981	-	981	981
Shares redeemed during the year	(69,237)	(1)	(69,236)	(69,237)
As at 31 December 2017	**20,642**	**-**	**16,648**	**16,648**

	Number of shares	Preference shares	Share premium	Total
	'000	$'000	$'000	$'000
Balance as at 1 January 2016	**88,898**	**1**	**84,903**	**84,904**
Shares redeemed during the year	-	-	-	-
As at 31 December 2016	**88,898**	**1**	**84,903**	**84,904**

14. Debt and borrowings (continued)

The holders of the preference shares in the Company have the right to receive notice of and to attend and speak at general meetings of the Company but are not entitled to vote, except in the event of a meeting to propose a variation of rights of a class of share to which the holder of a preference share is a party.

A preference share confers on its holder the right to a fixed cumulative preferential dividend at a fixed rate of 8% per annum, or such lower percentage as determined by the Directors, on the subscription price of that share. To date, the Company has issued preference shares with fixed cumulative preferential dividend rates of 8% and 2% per annum.

On the return of capital on a liquidation or winding up of the Company, the assets of the Company available for distribution will first be applied to the subscription price in respect of each preference share, defined in the Company's Articles of Association as the amount paid up including the full amount of any premium, secondly to any amount relating to accrued but as yet unpaid preference share dividends and thirdly, rateably among the members according to the number of shares held by them. A member is defined as a holder of either a preference share or ordinary share in the Company.

As to redemption, a holder of a preference share may request the redemption of all or some of the preference shares held by them on any date from the date which falls five years from the date of issue of the relevant preference share

On 23 March 2017, the Company redeemed the following:

- 9,374,233 Class A preference shares for a cash consideration of $9,374,233 Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $1,977,740
- 329,044 Class C preference shares for a cash consideration of $329,044 Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $1,901,215.
- 1,964,643 Class D preference shares for a cash consideration of $1,964,643. Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $716,984.
- 2,393,681 Class H preference shares for a cash consideration of $2,393,681. Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $121,134.
- 820,929 Class H 2012 preference shares for a cash consideration of $820,929 Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $41,473.
- 7,518 Class I preference shares for a cash consideration of $7,518. Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $3,217.

On 4 April 2017, the Company issued 981,085 Class J preference shares of $0.001 each for a total consideration of $981,085.

On 1 June 2017 and 21 July 2017, the Company redeemed 24,259,301 and 30,087,629 Class J preference shares for a cash consideration of $24,259,301 respectively. Under the terms of the preference shares, the Company also settled the accrued but as yet unpaid preference share dividend in respect of the shares subject to redemption for a cash consideration of $3,499,036 and $76,292 respectively

15. Share capital

Particulars of the Company's share capital are as follows.

	Number of shares $'000	Ordinary shares $'000
Balance as at 1 January 2017	61	61
Shares issued during the year	-	-
Shares redeemed during the year	(5)	(5)
As at 31December 2017	56	56

	Number of shares $'000	*Ordinary shares* $'000
As at 1 January and 31December 2016	61	61

The par value of the ordinary shares is $1.00 each All issued shares are fully paid

On 1 June 2017 and 21 July 2017, the Company redeemed 2,426 and 3,009 Class J ordinary shares for a cash consideration of $2,426 and $3,009 respectively.

15. Share capital (continued)

The holders of the ordinary shares in the Company have the right to receive notice of, attend, speak and vote at general meetings of the Company. On the return of capital on a liquidation or winding up of the Company, the assets of the Company available for distribution will first be applied to the subscription price in respect of each preference share – defined in the Company's Articles of Association as the amount paid up including the full amount of any premium – secondly to any amount relating to accrued but as yet unpaid preference share dividend and, thirdly, rateably among the members according to the number of shares held by them A member is defined as a holder of either a preference share or ordinary share in the Company.

16. Other reserve

The other reserve is an equity reserve created following transfers of preference share premium to the other reserve The other reserve is a distributable reserve

17. Financial risks

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

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

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

On 5 June 2018, Barclays Equity Holdings Limited became the immediate parent entity of Northwharf Investments Limited, the immediate *parent of the Company Barclays PLC remains the ultimate parent company of Barclays Equity Holdings Limited*

(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, including its customers, for credit risk before contracting with them. The Company monitors its exposures and seeks to minimise its credit exposures by monitoring the credit rating of its counterparties in accordance with Group risk management policies There were no significant concentrations of credit risk

Financial assets subject to credit risk neither past due nor individually impaired

Financial assets subject to credit risk that are neither past due nor individually impaired can be analysed according to the credit ratings used by the Company when assessing customers and counterparties. The Company uses the following credit ratings system:

Strong There is a very high likelihood of the asset being recovered in full.
Satisfactory· where there is a likelihood that the asset will be recovered and therefore, of no cause for concern to the Company, the asset may not be collateralised, or may relate to retail facilities, such as credit card balances and unsecured loans, which have been classified as satisfactory, regardless of the fact that the output of internal grading models may have indicated a higher classification At the lower end of this grade there are customers that are being more carefully monitored, for example, corporate customers which are indicating some evidence of deterioration, mortgages with a high loan to value, and unsecured retail loans operating outside normal product guidelines.

Higher risk: there is concern over the obligor's ability to make payments when due However, these have not yet converted to actual delinquency There may also be doubts over the value of collateral or security provided However the borrower or counterparty is continuing to make payments when due and is expected to settle all outstanding amounts of principal and interest.

The credit quality of financial assets subject to credit that were neither past due nor impaired, based on above credit ratings, was as follows·

	Strong	Satisfactory	Higher risk	Total
31 December 2017	**$'000**	**$'000**	**$'000**	**$'000**
Cash and cash equivalents	2,899	-	-	2,899
Loan and other receivables	-	3,090	-	3,090
Total	**2,899**	**3,090**	-	**5,989**

17. **Financial risks (continued)**

	Strong	Satisfactory	Higher risk	Total
31 December 2016	**$'000**	**$'000**	**$'000**	**$'000**
Cash and cash equivalents	2,771	-	-	2,771
Loan and other receivables	-	22,910	-	22,910
Total	**2,771**	**22,910**	**-**	**25,681**

(b) Liquidity risk

This is the risk that the Company's cash and committed facilities may be insufficient to meet its debts as they fall due. The Company has the financial support of the parent undertaking Barclays Bank PLC and it also 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.

The Company is in a net liability position, however, it has access to the financial support from the parent company, Barclays Bank PLC to ensure that there are sufficient available funds for operations and planned expansion.

Contractual maturity of financial liabilities on an undiscounted basis

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 (i.e nominal values), whereas the Company manages the inherent liquidity risk based on discounted expected cash inflows
The balances below table may differ from the balances in the balance sheet as the table incorporates all cash flows, on an undiscounted basis, related to both principal as well as those associated with all future dividend payments.

	One year or less	Total
2017	**$'000**	**$'000**
Financial liabilities	**31,407**	**31,407**

	One year or less	Total
2016	**$'000**	**$'000**
Financial liabilities	**126,928**	**126,928**

(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.

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 short term deposits The Company is not exposed to significant interest rate risk

Foreign currency risk

The Company has minimal exposure to foreign currency risk

Price risk

The Company has minimal exposure to price risk.

18. 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 and the Company's key management which includes its Directors

The parent and ultimate controlling party of the Company are disclosed in note 20.

On 5 June 2018, Barclays Equity Holdings Limited became the immediate parent entity of Northwharf Investments Limited, the immediate parent of the Company Barclays PLC remains the ultimate parent company of Barclays Equity Holdings Limited

Particulars of transactions, and the balances outstanding at year end, are disclosed in the tables below.

For the year ended 31 December 2017	Ultimate parent $'000	Immediate parent $'000	Group companies $'000	Total $'000
Transactions:				
Interest receivable and similar income	-	-	53	**53**
Interest payable and similar charges	-	6	3,025	**3,031**
Balances outstanding at 31 December				
Investments in subsidiaries	-	-	9,022	**9,022**
Loans and other receivables	-	-	3,090	**3,090**
Cash and cash equivalents	-	-	2,899	**2,899**
Short-term borrowings	-	(22)	(31,385)	**(31,407)**
Called up share capital	-	(56)	-	**(56)**

For the year ended 31 December 2016	Ultimate parent $'000	Immediate parent $'000	Group companies $'000	Total $'000
Transactions:				
Interest receivable and similar income	-	-	95	**95**
Interest payable and similar charges	-	26	4,395	**4,421**
Balances outstanding at 31 December				
Investments in subsidiaries	-	-	74,675	**74,675**
Loans and other receivables	-	355	22,556	**22,910**
Cash and cash equivalents	-	-	2,771	**2,771**
Short-term borrowings	-	(367)	(126,561)	**(126,928)**
Called up share capital	-	(61)	-	**(61)**

19. 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, and*
- To generate sufficient capital to support asset growth

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 balance sheet.

	2017 $'000	2016 $'000
Called up share capital	56	61
Other reserves	157,930	157,930
Accumulated losses	(174,336)	(184,526)
Total equity	**(16,350)**	**(26,535)**

20. Parent undertaking and ultimate controlling party

The immediate parent of the Company is Northwharf Investments Limited. The parent undertaking of the smallest group that presents consolidated financial statements is Barclays PLC. The ultimate controlling party and the parent company of the largest group that presents group financial statements is Barclays PLC. Barclays PLC is incorporated in the United Kingdom and registered in England. Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP

21. Post balance sheet events

On 5 June 2018, Barclays Equity Holdings Limited became the immediate parent entity of Northwharf Investments Limited, the immediate parent of the Company. Barclays PLC remains the ultimate parent company of Barclays Equity Holdings Limited