

# **BARLEY INVESTMENTS LIMITED**

## **Report and Financial Statements For the year ended 31 December 2009**



**REGISTERED NUMBER (ENGLAND AND WALES): 4109369**

## **BARLEY INVESTMENTS LIMITED**

Registered Number in England & Wales. 4109369

### **DIRECTORS' REPORT**

**For the year ended 31 December 2009**

The directors present their report together with the audited financial statements for the year ended 31 December 2009

#### **Review of business and future outlook**

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

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 size and complexity of the business.

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

#### **Results and dividends**

During the year the Company made a profit after tax of \$31,050,313 (2008: \$117,778,457). The directors declared dividends on ordinary shares of \$12,000,000 (2008: \$32,300,100) and dividends on preference shares of \$29,084,244 (2008: \$84,429,869). The directors consider that the performance of the Company has been satisfactory during the year.

#### **Subsequent events**

On 25 January 2010, the following transactions occurred:

a) The Company issued Keeper Investments Limited (Keeper) with a repayment notice to prepay the loan due from them. The Company received the principal of US\$89,396,014 and accrued interest in respect of this loan. A new floating rate loan agreement was entered into with Keeper for an amount of US\$100,000,000, that will mature on 25 January 2011 and bears interest of overnight USD BBA Libor. A request to prepay the loan can be made by either party at any time, with the option to waive the requirement for one business day notice.

b) A dividend of US\$137,936.97 was paid to Keeper Investments Ltd and a dividend of US\$49.80 was received from Chinnock Capital Limited.

c) Chinnock Capital Limited issued a repayment notice to the Company to prepay the Chinnock Loan in full. The principal together with accumulated interest from 12 January 2001 to 25 January 2010 amounting to US\$1,679,839 was received by the Company.

## **BARLEY INVESTMENTS LIMITED**

Registered Number in England & Wales. 4109369

### **DIRECTORS' REPORT (continued)**

For the year ended 31 December 2009

#### **Directors**

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

P Shah

KDT Wilson (resigned on 8 January 2009)

SS Haworth (resigned on 1 May 2009)

RA Chocr (appointed on 1 May 2009 and resigned on 15 May 2009)

D Lui (appointed on 25 June 2009)

Y Noorbhai (appointed on 20 January 2009 and resigned on 27 July 2009)

G Agrawal (resigned on 14 December 2009)

M Ralph (appointed on 15 May 2009)

Since the year end, D Lui resigned as a Director on 21 January 2010

#### **Directors' third party indemnity provisions**

Qualifying third-party indemnity provisions were in force during the course of the financial year ended 31st December 2009 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 they may incur (or have incurred) in connection with their duties/powers of office

#### **Derivatives and financial instruments**

The Company's directors are required to operate within the requirements of the Barclays Group risk management policies, which include specific guidelines on the management of foreign exchange, credit and interest rate risks and advise on the use of financial instruments to manage them. Barclays Group risk management policies can be found in the financial statements of Barclays Bank PLC (see note 18)

#### **Statement of Directors' Responsibilities**

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

The directors are required by the Companies Act 2006 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year

The directors consider that in preparing the accounts

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments 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

## BARLEY INVESTMENTS LIMITED

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### DIRECTORS' REPORT (continued)

For the year ended 31 December 2009

#### Statement of Directors' Responsibilities (continued)

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

The directors in office as at the date of this report confirm that

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

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

#### Auditors

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

BY ORDER OF THE BOARD



Director

Name **PRIYAN SHAH**

Date 19th July 2010

For and on behalf of

Barley Investments Limited

## **BARLEY INVESTMENTS LIMITED**

Registered Number In England & Wales. 4109369

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARLEY INVESTMENTS LIMITED**

We have audited the financial statements of Barley Investments Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of movements in Shareholders' Funds, the Accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and 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 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.

#### **Scope of the audit of the financial statements**

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.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

## **BARLEY INVESTMENTS LIMITED**

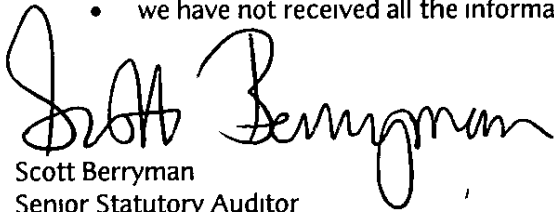
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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARLEY INVESTMENTS LIMITED (continued)**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Scott Berryman

Senior Statutory Auditor

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Location

Date

21 July 2020

**BARLEY INVESTMENTS LIMITED**

Registered Number in England &amp; Wales. 4109369

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 \$	2008 \$
Administrative expenses		(32)	(71)
Operating loss		<u>(32)</u>	<u>(71)</u>
Income receivable from fixed asset investments	4	15,323,705	121,104,647
Interest receivable and similar income	5	22,087,043	4,507,368
Interest payable and similar charges	6	-	(691,329)
Profit on ordinary activities before taxation	7	<u>37,410,716</u>	<u>124,920,615</u>
Tax on profit on ordinary activities	8	(6,360,403)	(7,142,158)
Profit on ordinary activities after taxation		<u>31,050,313</u>	<u>117,778,457</u>

All recognised gains and losses are included in the profit and loss account. The operating loss is derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes 1 to 18 form an integral part of these financial statements.

**BARLEY INVESTMENTS LIMITED**

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**BALANCE SHEET AS AT 31 DECEMBER 2009**

	Notes	2009 \$	2008 \$
FIXED ASSET INVESTMENTS	9	2	2
DEBTORS Amounts falling due after more than one year	11	-	1,578,868
CURRENT ASSET INVESTMENTS	10	-	3,684,600,000
DEBTORS Amounts falling due within one year	11	106,457,324	115,660,498
CREDITORS Amounts falling due within one year	12	(6,305,972)	(3,691,654,083)
NET CURRENT ASSETS		<u>100,151,352</u>	<u>108,606,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100,151,354</u>	<u>110,185,285</u>
NET ASSETS		<u>100,151,354</u>	<u>110,185,285</u>
CAPITAL AND RESERVES			
Called up share capital	14	100,000,003	100,000,003
Profit and loss account		151,351	10,185,282
TOTAL EQUITY SHAREHOLDERS' FUNDS	15	<u>100,151,354</u>	<u>110,185,285</u>

A reconciliation of movement in shareholders' funds is given in note 15

Notes 1 to 18 to the accounts form an integral part of these financial statements

The financial statements and notes 1 to 18 were approved by the Board of Directors on 19th July 2010



Director

Name **PRIYAM SHAH**

Date 19th July 2010



## **BARLEY INVESTMENTS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1 ACCOUNTING POLICIES**

##### **Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention, the accounting policies set out below and in accordance with the Companies Act 2006 and applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force

##### **Interest**

Interest income and expense is recognised on an accruals basis

##### **Foreign Exchange**

Monetary assets and liabilities in foreign currencies are translated into US dollars at the exchange rate ruling at the balance sheet date except where rates of exchange are fixed under contractual arrangements. Trading results denominated in foreign currencies are translated into US dollars at average rates of exchange during the year unless a contracted rate applied. All exchange differences are included in the profit and loss account.

##### **Taxation**

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

##### **Investments**

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

##### **Borrowings**

Borrowings refer to loans and advances entered into by the Company. They are recognised as a financial liability when a contractual agreement results in the Company having a present obligation to deliver cash or another financial asset to the holder. The liability is recognised at initial cost and amortised cost over the life of the financial liability. Borrowing costs are charged as an expense to the income statement in the period in which they are incurred.

##### **Dividends paid on ordinary shares**

Dividends are recognised in equity in the period in which an obligation to make a payment arises.

##### **Dividends from subsidiaries**

Dividend income is recognised in the profit and loss account on the date the Company becomes entitled to receive a dividend under a contractual agreement.

##### **Consolidated financial statements**

The financial statements contain information about Barley Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Barclays Bank PLC, a company registered in England and Wales.

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**BARLEY INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS (continued)****2. CASH FLOW STATEMENT**

The Company's ultimate holding company, Barclays Bank PLC, prepares consolidated financial statements which are publically available. Accordingly the Company, which is a wholly owned subsidiary of Barclays Bank PLC, has elected to utilise the exemption provided in FRS 1 not to produce a cash flow statement.

**3. DIRECTORS' EMOLUMENTS**

The directors did not receive any emoluments in respect of their services to the Company during 2009 or 2008.

**4. INCOME RECEIVABLE FROM FIXED ASSET INVESTMENTS**

	2009 \$	2008 \$
Interest receivable on floating rate certificate of deposit	15,323,705	121,104,545
Dividends received	-	102
	<u>15,323,705</u>	<u>121,104,647</u>

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2009 \$	2008 \$
Interest receivable from group undertakings	22,087,043	4,507,368
	<u>22,087,043</u>	<u>4,507,368</u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2009 \$	2008 \$
Interest payable to group undertakings	-	691,329
	<u>-</u>	<u>691,329</u>

**7. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

There were no employees employed by the Company during 2009 and 2008.

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 \$4,520 (2008 \$4,520) for the period. This fee is not recognised as an expense in the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2009 \$	2008 \$
Current taxation		
United Kingdom taxation on income for the year	6,360,403	7,142,158
Tax charge on profit on ordinary activities	<u>6,360,403</u>	<u>7,142,158</u>

The UK corporation tax charge is based on a UK corporation tax rate of 28% (2008 28.5% blended). The reduction in corporation tax rate is due to the use of a blended corporation tax rate for the year 2008, as a result of the reduction of the corporation tax rate from 30% to 28% with effect from 1 April 2008. The effective tax rate is higher than the standard tax rate as a result of non-taxable items and foreign exchange.

	2009 \$	2008 \$
Profit on ordinary activities before tax	37,410,716	124,920,615
Profit on ordinary activities multiplied by the rate of corporation tax in the UK of 28% (2008 28.5%)	10,475,000	35,602,375
Floating Rate Certificate of Deposit taxed on an amortised cost tax base over an accounting base	(4,369,080)	(26,687,523)
Non-taxable dividends received	-	(29)
Foreign exchange	254,483	(1,772,665)
Current tax charge for the year	<u>6,360,403</u>	<u>7,142,158</u>

**9. FIXED ASSETS INVESTMENTS**

	Equity Investment \$
At 1 January 2009 and 31 December 2009	<u>2</u>

In the opinion of the directors, the value of the Company's investment is not less than the amount stated in the balance sheet. Chinnock Capital Limited is a company incorporated in England and Wales and its principal activity is to act as an investment company.

**BARLEY INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS (continued)****10. CURRENT ASSET INVESTMENTS**

	2009 \$	2008 \$
Current asset investments		
Debt securities	-	3,684,600,000

On 16<sup>th</sup> March 2009, the Company's current asset investment in a US dollar denominated floating rate certificate of deposit was repaid and the Company received the \$3,684,600,000 principal amount and accrued interest.

**11. DEBTORS**

	2009 \$	2008 \$
Amounts falling due within one year		
Amounts due from group undertakings	106,457,324	115,660,498
Amounts falling due after more than one year		
	2009 \$	2008 \$
Amounts due from group undertakings	-	1,578,868

**12. CREDITORS**

	2009 \$	2008 \$
Amounts falling due within one year		
Corporation tax creditor	6,305,972	7,054,083
Preference share liability	-	3,684,600,000
	6,305,972	3,691,654,083

Preference share capital consists of

Authorised		
3,684,600,000 Preference shares of \$1 00 each	3,684,600,000	3,684,600,000
Allotted and Fully Paid		
	-	3,684,600,000
3,684,600,000 Preference shares of \$1 00 each		

The preference shares were redeemed in the current year

**BARLEY INVESTMENTS LIMITED**

Registered Number in England &amp; Wales 4109369

**NOTES TO THE FINANCIAL STATEMENTS (continued)****13. DIVIDENDS PAID**

	2009 \$	2008 \$
Ordinary shares		
- 12 cents (2008 32 30 cents) per share	12,000,000	32,300,100
Preference shares		
- 0 789 cents (2008 2 29 cents) per share	29,084,244	84,429,869
	<u>41,084,244</u>	<u>116,729,969</u>

**14. CALLED UP SHARE CAPITAL**

	2009	2008
Authorised		
Ordinary shares		
10 Ordinary shares of £1 each	£10	£10
100,000,000 Ordinary shares of \$1 each	<u>\$100,000,000</u>	<u>\$100,000,000</u>
Allotted and fully paid	\$	\$
Ordinary shares		
2 Ordinary shares of £1 each	3	3
100,000,000 Ordinary shares of \$1 each	<u>100,000,000</u>	<u>100,000,000</u>
	<u>100,000,003</u>	<u>100,000,003</u>

**15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2009 \$	2008 \$
Profit on ordinary activities after taxation	31,050,313	117,778,457
Ordinary dividends paid	(12,000,000)	(32,300,100)
Preference dividends paid	(29,084,244)	(84,429,869)
(Decrease)/increase in shareholders' funds	<u>(10,033,931)</u>	<u>1,048,488</u>
Opening shareholders' funds	110,185,285	109,136,797
Closing shareholders' funds	<u>100,151,354</u>	<u>110,185,285</u>

**16 RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Barclays Bank PLC, the consolidated financial statements of which are publicly available. There have been no other transactions with related parties requiring disclosure during the year (2008 none)

## **BARLEY INVESTMENTS LIMITED**

Registered Number in England & Wales: 4109369

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **17 SUBSEQUENT EVENTS**

On 25 January 2010, the following transactions occurred

- a) The Company issued Keeper Investments Limited (Keeper) with a repayment notice to prepay the loan due from them. The Company received the principal of US\$89,396,014 and accrued interest in respect of this loan. A new floating rate loan agreement was entered into with Keeper for an amount of US\$100,000,000, that will mature on 25 January 2011 and bears interest of overnight USD BBA Libor. A request to prepay the loan can be made by either party at any time, with the option to waive the requirement for one business day notice.
- b) A dividend of US\$137,936.97 was paid to Keeper Investments Ltd and a dividend of US\$49.80 was received from Chinnock Capital Limited.
- c) Chinnock Capital Limited issued a repayment notice to the Company to prepay the Chinnock Loan in full. The principal together with accumulated interest from 12 January 2001 to 25 January 2010 amounting to US\$1,679,839 was received by the Company.

#### **18. PARENT UNDERTAKING AND ULTIMATE PARENT COMPANY**

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