000118/140

CUTH INVESTMENTS LIMITED

Report and Financial Statements
For the year ended 31 December 2015

WEDNESDAY

L5E25STT
LD4 24/08/2016 #111
COMPANIES HOUSE

REGISTERED NUMBER (Cayman Islands): MC-191658
REGISTERED NUMBER (England and Wales): FC027822

CUTH INVESTMENTS LIMITED
Registered Number in England and Wales FC027822

INDEX

CUTH INVESTMENTS LIMITED
Registered Number in England and Wales FC027822

DIRECTORS' REPORT
For the year ended 31 December 2015

The Directors present their annual report together with the audited financial statements of Cuth Investments Limited ("the Company") for the year ended 31 December 2015

Results and dividends

During the year ended 31 December 2015, the Company made a profit after tax of £15,907,922 (2014 £14,808,968) The Directors do not recommend the payment of a dividend in relation to the year ended 31 December 2015 (2014 nil) The Company has net assets of £2,092,340,511 as at 31 December 2015(2014 £2,076,432,589)

Directors

The Directors of the Company, who served during the year and up to the date of signing, are as shown below
C Le Neve Foster
C Gyte
B Hill
N Minns

Since the year end, C Gyte and B Hill resigned as Director on 8 January 2016 and N Jordanov (Atanas) and V Shah was appointed as Director on 8 January 2016 N Minns resigned as Director on 18 March 2016 and P Voisey was appointed as Director on 18 March 2016

Going Concern

After reviewing the company's performance projections, the available banking facilities and taking into account the support available from the Barclays Bank PLC, the Directoes are satisfied that the company has adequate access to resources to enable it to meet its obligation, and to continue in operational existence for the foreseeable future For this reason, the Directoers have adopted the going concern basis in preparing these financial statements

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the Auditors' report set out on pages 5 and 6 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 as applicable to overseas companies 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 However, for presentation and disclosure purposes, the Directors have adopted the requirements under the Regulations and selected disclosures under IFRS which the Directors deem to be relevant in understanding its state of affairs As a result, the items listed in note 2 which are required under IFRS are not included in these financial statements The Companies Act 2006 as applicable to overseas companies provides, in relation to such accounts, that references to accounts giving a true and fair view are references to fair presentation

CUTH INVESTMENTS LIMITED
Registered Number in England and Wales FC027822

DIRECTORS' REPORT (continued)

For the year ended 31 December 2015

The Directors consider that in preparing the financial statements on pages 7 to 17

- 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

Directors' third party indemnities

Qualifying third-party indemnity provisions were in force during the course of the financial year ended 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

Barclays financial risk management objectives and policies, which are followed by the Company, including the policy for hedging each major type of forecasted transaction for which hedge accounting is used, and the exposure to market risk, credit risk and liquidity risk are set out in the Barclays PLC 2015 annual report which does not form part of this report

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 ORDER OF THE BOARD

Director
Name VISHAL SHAH
Date 03·08·2016

CUTH INVESTMENTS LIMITED
Registered Number in England and Wales FC027822

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 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

No significant change in this activity is envisaged in the foreseeable future

Business performance

During the year ended 31 December 2015, the Company made a profit after tax of £15,907,922 (2014 £14,808,968) The Directors do not recommend the payment of a dividend in relation to the year ended 31 December 2015 (2014 nil) The Company has net assets of £2,092,340,511 as at 31 December 2015(2014 £2,076,432,589)

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 size and complexity of the business The Directors expect the Company's performance in the foreseeable future to be in line with the current year

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 Barclays PLC 2015 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 2015 annual report which does not form part of this report

BY ORDER OF THE BOARD

Director
Name VISHAL SHAH
Date 03 08 · 2016

Independent auditors' report to the directors of Cuth Investments Limited

Report on the financial statements

Our opinion

In our opinion, Cuth Investments Limited's financial statements (the "financial statements") for the year ended 31 December 2015

- have been properly prepared, in all material respects, in accordance with the basis of preparation in notes 2 and 3 and accounting policies in note 4 to the financial statements , and
- have been prepared in accordance with the requirements of the United Kingdom Companies Act 2006 as applicable to overseas companies

What we have audited

Cuth Investments Limited's financial statements comprise

- the Balance Sheet as at 31 December 2015,
- the Income Statement and Statement of Comprehensive Income 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 applicable law and the basis of preparation in notes 2 and 3 and accounting policies in note 4 to the financial statements

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

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 in accordance with the basis of preparation in notes 2 and 3 and accounting policies in note 4 to the financial statements

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 opinion, has been prepared for and only for the company's directors as a body for management purposes in accordance with our engagement letter dated 7 August 2015 and for no other purpose We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the company, 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 Report and Financial Statements 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

PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP
Chartered Accountants
London
3 August 2016

CUTH INVESTMENTS LIMITED

Registered Number in England and Wales FC027822

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Interest Income	5	20,075,412	19,004,272
Interest Expense	6	(129,031)	(139,345)
Profit before tax	7	19,946,381	18,864,927
Tax	10	(4,038,459)	(4,055,959)
Profit after tax		15,907,922	14,808,968

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 The accompanying notes form an integral part of these financial statements

CUTH INVESTMENTS LIMITED
Registered Number in England and Wales FC027822

BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015 £	2014 £
ASSETS			
Current assets			
Cash and cash equivalents		894,192	818,644
Loans and advances	11	2,124,216,131	2,104,216,267
Total current assets		2,125,110,323	2,105,034,911
TOTAL ASSETS		2,125,110,323	2,105,034,911
LIABILITIES			
Current liabilities			
Borrowings	12	28,730,972	24,619,004
Current taxation	13	4,038,840	3,983,318
Total current liabilities		32,769,812	28,602,322
Net current assets		2,092,340,511	2,076,432,589
TOTAL LIABILITIES		32,769,812	28,602,322
NET ASSETS		2,092,340,511	2,076,432,589
EQUITY			
Called up share capital	14	20,010,000	20,010,000
Share premium account	14	1,980,000,000	1,980,000,000
Retained earnings	15	92,330,511	76,422,589
TOTAL EQUITY		2,092,340,511	2,076,432,589

The accompanying notes on pages 9 to 17 form an integral part of the financial statements

The financial statements on pages 7 to 17 were approved by the Board of Directors and authorised for issue on 3 August 2016 and were signed on its behalf by

Director
Name VISHAL SHAH
Date 03 08. 2016

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

The financial statements are prepared for Cuth Investments Limited ("the Company") The principal activity of the Company is to act as an investment company The Company is a wholly owned subsidiary of Gallen Investments Limited and its ultimate parent Company is Barclays PLC Barclays PLC prepares consolidated financial statements in accordance with IFRS as adopted by the European Union, and accordingly consolidated financial statements have not been prepared for Cuth Investments Limited

Cuth Investments Limited is a limited company incorporated in the Cayman Islands It is registered in England and Wales as a Branch The Company's registered office is

P O Box 309GT
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

2. ACCOUNTING FRAMEWORK

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 Company applies the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee ("IFRS IC"), as published by the International Accounting Standards Board ("IASB") and in accordance with the IFRSs and IFRS IC interpretations as adopted by the European Union

However, for presentation and disclosure purposes, the directors have adopted the requirements under the Regulations and selected disclosures under IFRS which the directors deem to be relevant in understanding its state of affairs As a result, the following items which are required under IFRS are not included in these financial statements

1. Statement of Changes in Equity,
2. Statement of Cash flows,
3. Capital Management note,
4. IFRS 7 Financial Instruments Disclosures to the extent they are not relevant in assessing the Company's state of affairs
5. IFRS 12 Disclosures of Interests in Other Entities
6. IFRS 13 Fair Value Measurement

The preparation of these financial statements in conformity with the Regulations 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

NOTES TO THE FINANCIAL STATEMENTS (continued)

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 stated in pound sterling, which is the Company's functional and presentation currency

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

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

Taxation
Taxation payable on taxable profits is recognised as an expense in the period in which the profits arise Income tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as recoverable by offset against current or future taxable profits

Current tax assets and liabilities are only offset when they arise in the same tax reporting group and 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

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 rate 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 rate 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

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowings

Borrowings refer to redeemable preference shares issued by the Company They are recognised as a liability when a contractual agreement results in the Company having a present obligation to deliver cash or another financial asset to the holder The liabilities are initially recognised at fair value including direct and incremental transaction costs and amortised to the redemption value using the effective rate of interest over the life of the instrument They are derecognised when the liability is extinguished

The redeemable preference shares issued by the Company have been classified as a compound financial instrument in accordance with IAS and are being split into its debt and equity components The liability component of the Class A preference shares have been amortised through the profit and loss account as an interest expense on an effective yield basis

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

Dividends on ordinary and preference shares

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

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 Company uses include significant financial difficulties 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 impairment allowances are calculated, based on the difference between the carrying amount of the asset and its estimated recoverable amount, calculated by reference to the expected cash flows from it discounted at the original effective interest rate for the asset

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 material impact on accounting policies

Future accounting developments

There have been and 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

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

- 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 the income statement,
- 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

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

The Company is in the process of considering the financial impacts of the new standards

5. INTEREST INCOME

	2015	2014
	£	£
Interest income from parent undertakings	20,075,412	19,004,272
	20,075,412	19,004,272

6. INTEREST EXPENSE

	2015	2014
	£	£
Interest expense to group undertaking	129,031	139,345
	129,031	139,345

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 £7,622 for the year (2014 £7,622) 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, no Director exercised options under the Barclays PLC Sharesave Scheme and Long Term Incentive schemes (2014 1)

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. STAFF COSTS

There were no employees employed by the Company during the year ended 31 December 2015 (2014 nil)

10. TAX

	2015	2014
	£	£
UK Corporation tax	4,038,459	4,055,959
Total tax charge	4,038,459	4,055,959

The UK corporation tax charge is based on the UK corporation tax rate of 20 25% (2014 21 50%)

A numerical reconciliation of the applicable tax rate and the average effective tax rate is as follows

	2015	2014
	£	£
Profit before tax	19,946,381	18,864,927
Profit multiplied by the blended rate of corporation tax in the UK of 20 25% (2014 21 50%)	4,038,459	4,055,959
Total tax charge	4,038,459	4,055,959

11. LOANS AND ADVANCES

	2015	2014
	£	£
Loans and advances to parent undertaking	2,124,216,131	2,104,216,267
	2,124,216,131	2,104,216,267

Amounts due from parent undertaking represent principal and accrued interest on deposit with Gallen Investments Limited consists of

- principal of £18,781,018 with interest bearing at 6M GBP LIBOR and maturing on 15 February 2016
- principal of £7,326,958 with interest bearing at 12M GBP LIBOR and maturing on 20 December 2016
- principal of £2,080,533,982 with interest bearing at 12M GBP LIBOR and maturing on 16 February 2017

Balance of £17,574,173 represents accrued interest.

The above loans have been classified as current loans as they may be prepaid at any time before the maturity at one business day's notice

12. BORROWINGS

	2015 £	2014 £
Amounts due to group undertaking	27,240,972	23,129,004
Amounts due to parent undertaking	1,490,000	1,490,000
	28,730,972	24,619,004

- Amounts due to group undertaking represent borrowings with Barclays Bank Plc of principal of £19,959,998 with interest bearing at 1M GBP LIBOR and maturing on 16 February 2016
- Amounts due to group undertaking represent borrowings with Barclays Bank Plc of principal of £7,182,540 with interest bearing at 1M GBP LIBOR and maturing on 4 April 2016
- Amounts due to parent undertaking represent redeemable preference shares issued to Gallen Investments Limited

Balance of £98,434 represents accrued interest

The company has issued preference shares as follows

	2015 £	2014 £
Authorised 1,490,000 (2014 1,490,000) Redeemable preference shares of £1 each	1,490,000	1,490,000
Allotted and fully paid 1,490,000 (2014 1,490,000) Redeemable preference shares of £1 each	1,490,000	1,490,000

The authorised and issued redeemable preference shares have no voting rights

The redeemable preference shares can be redeemed at any time at the option of the Company within one business day's notice or if required by a majority of preference shareholders within two business day's notice On redemption, the shares entitle the holder to redemption proceeds consisting of dividends declared but not paid and the nominal amount plus premium paid up on the redeemable preference shares The dividends on the redeemable preference shares are discretionary

13. CURRENT TAXATION

	2015 £	2014 £
Group relief payable	(4,038,840)	(3,983,318)

(4,038,840)	(3,983,318)

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. CALLED UP SHARE CAPITAL

	Number of shares	Notional value of Share capital	Share premium	Total GBP Equivalent
Ordinary Shares issued	1	$ 1	-	£ 1
Ordinary Shares issued	9,999	£ 9,999	-	£ 9,999
Class A Residual Shares issued	1,440,000,000	£14,400,000	£1,425,600,000	£1,440,000,000
Class B Residual Shares issued	560,000,000	£5,600,000	£ 554,400,000	£560,000,000
As at 31 December 2015				£2,000,010,000

	Number of shares	Notional value of Share capital	Share premium	Total GBP Equivalent
Ordinary Shares issued	1	$ 1	-	£ 1
Ordinary Shares issued	9,999	£ 9,999	-	£ 9,999
Class A Residual Shares issued	1,440,000,000	£14,400,000	£1,425,600,000	£1,440,000,000
Class B Residual Shares issued	560,000,000	£5,600,000	£ 554,400,000	£560,000,000
As at 31 December 2014				£2,000,010,000

Authorised	2015 Total GBP Equivalent	2014 Total GBP Equivalent
1 (2014 1) Ordinary share of $1	1	1
9,999 (2014 9,999) Ordinary shares of £1 each	9,999	9,999
1,440,000,000 (2014 1,440,000,000) Class A Residual shares of £0 01 each	14,400,000	14,400,000
560,000,000 (2014 560,000,000) Class B Residual shares of £0 01 each	5,600,000	5,600,000
5,000,000,000 (2014 5,000,000,000) Class C shares of £0 01 each	50,000,000	50,000,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. CALLED UP SHARE CAPITAL (continued)

Allotted and fully paid	2015 Total GBP Equivalent	2014 Total GBP Equivalent
1 (2014 1) Ordinary share of $1 each at par	1	1
9,999 (2014 9,999) Ordinary shares of £1 each at par	9,999	9,999
1,440,000,000 (2014 1,440,000,000) Class A Residual shares of £0 01 each at a premium of £0 99 each	1,440,000,000	1,440,000,000
560,000,000 (2014 560,000,000) Class B Residual shares of £0 01 each at a premium of £0 99 each	560,000,000	560,000,000
	2,000,010,000	2,000,010,000

The ordinary Class A Residual, Class B Residual and Class C shares are non-redeemable and the dividends are discretionary

All share classes are entitled to a discretionary dividend, to be declared in the following order first the Class C shares, followed by the redeemable preference shares, then the ordinary shares, and finally and pari passu the Class A residual shares and the Class B residual shares

However, in the event of a winding up, the payment of declared but unpaid dividends and the repayment of share capital will take place as follows, Class C Shares followed by Redeemable Preference shares and finally the ordinary shares The balance of any surplus thereafter shall be payable pari passu on the Class A and Class B residual shares

15. RETAINED EARNINGS

	£
As at 1 January 2015	76,422,589
Profit after tax	15,907,922
As at 31 December 2015	92,330,511
As at 1 January 2014	61,613,621
Profit after tax	14,808,968
As at 31 December 2014	76,422,589

16. RELATED PARTIES

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 as well as the Company's key management which includes its Directors

NOTES TO THE FINANCIAL STATEMENTS (continued)

Related Parties (continued)

Gallen Investments Limited is the parent undertaking and controlling party During the year there have been no other transactions with related parties other than transactions disclosed in notes to the financial statements

17 PARENT UNDERTAKING AND ULTIMATE HOLDING COMPANY

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