

EBBGATE INVESTMENTS LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

REGISTERED NUMBER: 2605705

THURSDAY



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28/06/2012
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EBBGATE INVESTMENTS LIMITED

Registered in England and Wales with Company Registration Number 2605705

Year ended 31 December 2011

Directors' report and financial statements

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EBBGATE INVESTMENTS LIMITED

Registered in England and Wales with Company Registration Number 2605705

Year ended 31 December 2011

Directors' report

The Directors present their Annual Report together with the audited financial statements of Ebbgate Investments Limited for the year ended 31 December 2011

Business review and principal activities

The principal activity of the Company is to act as an investment holding company

The Company will continue to be engaged in this activity for the foreseeable future

Business performance

The results of the Company show a profit before taxation of £39 (2010 £4,377) for the year and total comprehensive income of £29 (2010 £4,356) The Company has net debt of £nil (2010 £nil) Net cash inflow from operating activities for 2011 was £39 (2010 £4,377 inflow)

Future outlook

We remain confident that we will maintain our current level of performance in the future

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 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 business unit is discussed in the Barclays PLC Annual Report which does not form part of this report

Results and dividends

During the year the Company made a profit after taxation of £29 (2010 £4,356) The Directors recommend the payment of an interim dividend in the amount of £nil (2010 £75,000)

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

P Richardson (resigned 13/06/11)
N W Salisbury (resigned 30/12/11)
F L Freeman

G S Bamert was appointed as a Director on 02 February 2012

EBBGATE INVESTMENTS LIMITED

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Directors' report (continued)

Statement of Directors' responsibilities

The following statement, which should be read in conjunction with the Independent Auditors' Report set out on page 3, 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 have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS)s as published by the International Accounting Standards Board. They are also in accordance with IFRSs as adopted by the European Union.

The Directors consider that in preparing the financial statements on pages 4 to 14,

- 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.

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.

Financial instruments

The main financial risks that the Company is exposed to, and its risk management policies and objectives in relation to those risks, are set out on page 12 to the financial statements.

Directors' third party indemnity provisions

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the financial year ended 31 December 2011 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.

Auditors

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

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

G S Bamert
Director
26 June 2012



EBBGATE INVESTMENTS LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EBBGATE INVESTMENTS LIMITED

We have audited the financial statements of Ebbgate Investments Limited for the year ended 31 December 2011 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 2011 and of its profit and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

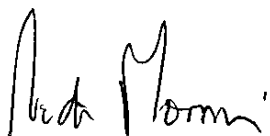
Opinion on other matters prescribed by the Companies Act 2006

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.

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



Nicholas Morrison (senior statutory auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

27 June 2012

EBBGATE INVESTMENTS LIMITED

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Year ended 31 December 2011

Statement of Comprehensive Income

	Notes	2011 £	2010 £
Continuing operations			
Finance income		39	75
Dividend income		-	4,302
Operating profit		<u>39</u>	<u>4,377</u>
Profit before tax	4	<u>39</u>	<u>4,377</u>
Taxation	6	<u>(10)</u>	<u>(21)</u>
Profit after tax		<u>29</u>	<u>4,356</u>
Other comprehensive Income		-	-
Total Comprehensive Income		<u>29</u>	<u>4,356</u>

The accompanying notes form an integral part of the accounts

EBBGATE INVESTMENTS LIMITED

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**Year ended 31 December 2011
Statement of Changes in Equity**

	Share capital £	Retained earnings £	Total equity £
Balance at 1 January 2011	25,052	93,562	118,614
Total comprehensive income for the year	-	29	29
Dividends paid	-	(75,000)	(75,000)
Balance at 31 December 2011	25,052	18,591	43,643

	Share capital £	Retained earnings £	Total equity £
Balance at 1 January 2010	25,052	89,206	114,258
Total comprehensive income for the year	-	4,356	4,356
Balance at 31 December 2010	25,052	93,562	118,614

EBBGATE INVESTMENTS LIMITED

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At 31 December 2011

Balance sheet

	Notes	2011 £	2010 £
ASSETS			
Non-current assets			
Investment in associates		<u>1</u>	<u>1</u>
Total non-current assets		<u>1</u>	<u>1</u>
Current assets			
Trade and other receivables	9	18,749	18,750
Group relief receivable	10	12,639	12,648
Cash and cash equivalents		<u>12,254</u>	<u>87,215</u>
Total current assets		<u>43,642</u>	<u>118,613</u>
Total assets		<u>43,643</u>	<u>118,614</u>
Net current assets			
		<u>43,642</u>	<u>118,613</u>
Net assets		<u>43,643</u>	<u>118,614</u>
SHAREHOLDERS' EQUITY			
Called up share capital	11	25,052	25,052
Retained earnings and other reserves		<u>18,591</u>	<u>93,562</u>
Total shareholders' equity		<u>43,643</u>	<u>118,614</u>

The accompanying notes form an integral part of the accounts

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2012 and were signed on its behalf by



F L Freeman
Director
26 June 2012

EBBGATE INVESTMENTS LIMITED

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Year ended 31 December 2011

Cash flow statement

	2011	2010
	£	£
Cash flows from operating activities		
Cash generated from operations, consisting of		
- Profit before tax for the year	39	4,377
Net cash from operating activities	<u>39</u>	<u>4,377</u>
Cash flows from financial activities		
Dividends paid	(75,000)	-
Net cash outflow from financing activities	<u>(75,000)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	<u>(74,961)</u>	<u>4,377</u>
Cash and cash equivalents at beginning of the year	87,215	82,838
Cash and cash equivalents at end of the year	<u>12,254</u>	<u>87,215</u>

The accompanying notes form an integral part of the accounts

EBBGATE INVESTMENTS LIMITED

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Year ended 31 December 2011

Notes to the financial statements

1 Reporting entity

These financial statements are prepared for Ebbgate Investments Limited ('the Company'), the principal activity of which is to act as an investment holding company. The financial statements are prepared for the Company only. The Company is a wholly owned subsidiary of Barclays Bank PLC and its ultimate parent company is Barclays PLC, both of which prepare consolidated financial statements in accordance with International Financial Reporting Standards ('IFRS'), and accordingly consolidated financial statements have not been prepared.

The Company is a private limited company, incorporated in Great Britain. The address of the registered office of the Company is 1 Churchill Place, London, E14 5HP.

2 Compliance with International Financial Reporting Standards

The financial statements have been prepared in accordance with IFRS, adopted for use in the European Union, International Financial Reporting Interpretations Committee ("IFRIC") interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

3 Summary of significant accounting policies

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

Basis of preparation

The financial statements have been prepared 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 pounds sterling, £, the currency of the country in which the Company is incorporated.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out those areas involving a higher degree of judgement or complexity where relevant, or areas where assumptions are significant to the financial statements.

a) Investments in associates

An associate is an entity in which the Company has significant influence, but not control over, the operating and financial management policy decisions. This is generally demonstrated by the Company holding in excess of 20%, but no more than 50%, of the voting rights.

Investments in associates are stated at cost less any impairments.

b) Dividends from associates

Dividend from associates are accounted for on the basis of dividends received in accounting period.

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Notes to the financial statements

c) Interest

Interest income or expense is recognised on all interest bearing financial assets 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 period to maturity or repayment.

d) Current and deferred income tax

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

Deferred income tax is provided in full, using the liability method, on temporary timing differences arising from the differences between the tax bases of assets and liabilities. Deferred income tax is determined using tax rates and legislation enacted or substantially enacted by the balance sheet date and is expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised on deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is regarded as probable that sufficient taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred and 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.

e) Financial assets

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.

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 takes into account 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 discounted at the original effective interest rate for the asset.

f) Dividends

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 during the reporting period.

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Notes to the financial statements

g) Cash and cash equivalents

For the purposes of the cash flow statement, cash comprises cash in 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.

4 Profit before tax

	2011	2010
	£	£
Continuing operations		
Interest income	39	75
Dividend income	-	4,302
Operating Profit	<u>39</u>	<u>4,377</u>

Auditors' remuneration amounting to £5,450 (2010: £5,150) for the period was borne by a fellow subsidiary of Barclays Bank PLC and was not recharged to the Company.

5 Employees and key management, including Directors

There were no employees employed by the Company during 2011 or 2010.

Directors' remuneration

The Directors did not receive any emoluments in respect of their services to the company during the year (2010: £nil).

No Directors exercised options under Barclays PLC Sharesave Scheme and Long Term Incentive Schemes during 2011 (2010: nil).

Directors' and Officers' loans

As at 31 December 2011, there were no amounts outstanding under transactions, arrangements and agreements made by the Company with parties who are, or were during the year, directors of the Company and persons connected with them and for Officers, within the meaning of the Financial Services and Markets Act 2000.

6 Tax

The analysis of the charge for the year is as follows:

	2011	2010
	£	£
Current tax:		
Current year	10	21
Adjustment for prior years	-	-
	<u>10</u>	<u>21</u>
Deferred tax		
Current year	-	-
Adjustment for prior years	-	-
Overall tax charge	<u>10</u>	<u>21</u>

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Notes to the financial statements

The charge for tax is based upon a UK corporation tax rate of 26.5% (2010 48%)

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

	2011	2010
	£	£
Profit before tax	39	4,377
Tax charge at standard UK corporation tax rate of 26.5% (2010 28%)	10	1,226
Adjustment for prior years	-	-
Non-deductible expenses / (non-taxable income)	-	(1,205)
Overall tax charge	10	21
Effective tax rate %	26.50%	0.48%

A number of changes to the UK Corporation tax system were announced in the March 2011 and March 2012 Budget Statements. The Finance Act 2011, which was substantively enacted on 5 July 2011, includes legislation reducing the main rate of corporation tax from 28 per cent to 26 per cent from 1 April 2011 and to 25 per cent from 1 April 2012.

The main rate of corporation tax has subsequently been reduced to 24 per cent from 1 April 2012 and the reduction was substantively enacted on 29 March 2012. Further reductions to the main rate are proposed to reduce the rate by 1 per cent per annum to 22 per cent from 1 April 2014. These subsequent and proposed changes to the main rate had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements. The estimated financial effect of these changes is insignificant.

7 Dividends on ordinary shares

An analysis of dividends paid is as follows

	2011	2010
	£	£
Fully paid shares - £000 (2010 £nil) per share	75,000	-
Partly paid shares - £000 (2010 £nil) per share	-	-
	75,000	-

The dividend paid in 2011 of £75,000 relates to 2010.

8 Investments in associates

Movements in, and details of, the Company's long term investments in subsidiaries are as follows

	2011	2010
	£	£
At 1 January	1	1
At 31 December	1	1

All of the above investments are unlisted.

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Notes to the financial statements

Details of associates are as follows

	Proportion of class held (%)	Proportion of total share capital with voting rights (%)	Activity
MORRIS SHOWHOMES LIMITED			
£0 001 'A' Ordinary Shares	100	50	Property

9 Trade and other receivables

An analysis of trade and other receivables is as follows

	2011 £	2010 £
Due from related party	18,749	18,750

10 Current tax assets

Current tax assets were as follows

	2011 £	2010 £
UK corporation tax Group relief receivable	(12,639)	(12,648)

11 Share capital

Particulars of the Company's share capital are as follows

	2011 £	2010 £
Allotted and fully paid or partly paid		
53 ordinary shares of £1 each fully paid	53	53
24,999 ordinary shares of £1 each (25p paid)	24,999	24,999
	25,052	25,052

12 Financial risks

The Company's activities expose it to a variety of financial risks. These are mainly credit risk and market risk, (interest rate risk). The Company's Directors are required to follow the requirements of the Barclays PLC Group risk management policies, which include specific guidelines on the management of credit, interest rate and foreign exchange risk, and advises on the use of financial instruments to manage them.

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Notes to the financial statements

(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

All credit exposure is to other companies within the Barclays PLC Group

Maximum exposure to credit risk

The following table shows the maximum exposure to credit risk at 31 December 2011 and 2010

	2011	2010
	£	£
Cash and cash equivalents	12,254	87,215
Trade and other receivables	18,749	18,750
Total maximum exposure at 31 December	31,003	105,965

The above exposures are considered neither past due nor impaired. The Company does not hold any collateral as security.

Financial assets subject to credit risk

After reviewing all outstanding balances, it is considered that the credit quality of the full amount, £31,003 (2010 £105,965) is strong, in that there is a very high likelihood of the assets being recovered in full.

(b) 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 exposure to interest rate risk is limited to the interest income earned on its cash and cash equivalents.

13 Fair Value of Financial Instruments

Financial instruments include both financial assets and financial liabilities. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties.

The Directors consider that the fair value of financial instruments approximates cost, being the carrying value stated on the balance sheet.

No sensitivity analysis is considered necessary due to the lack of complexity of the entity and the sophistication of the users of the financial statements.

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Notes to the financial statements

14 Related Party Transactions

The definition of related parties includes parent company, ultimate parent company, subsidiary, associated and joint venture companies, as well as the Company's key management which includes its Directors

There were no transactions with key management personnel in either year

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

For the year ended 31 December	2011	2010
	£	£
Transactions		
Interest Received	39	75
Assets		
Cash and cash equivalents	12,254	87,215
Trade and other receivables	18,749	18,750
Total	<u>31,003</u>	<u>105,965</u>

15 Ultimate Holding Company

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

16 Capital Management

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 balance sheet, plus net debt.