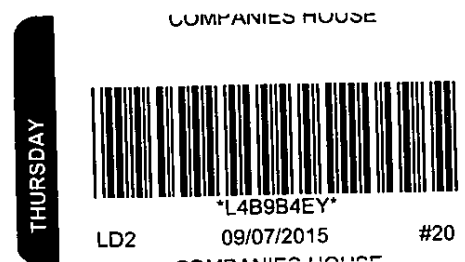


HERALDGLEN LIMITED

**Report and Financial Statements
For the year ended 31 December 2014**

Registered Number in England and Wales - 3261374



HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

DIRECTORS' REPORT
For the year ended 31 December 2014

The directors present their report together with the audited financial statements for the year ended 31 December 2014

Review of business and future outlook

The Company is a Corporate Member of Lloyd's. It ceased underwriting on 31 December 2000. All open underwriting years of account on which the Company participated were closed on 30 September 2003 by way of reinsurance to close contracts with a new Lloyd's Syndicate. 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.

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

Results and Dividends

During the year the Company made a result for the financial year of £nil (2013: £nil). The directors do not recommend a dividend (2013: £nil). The directors consider that the performance of the Company has been satisfactory during the year.

Financial Instruments

The Company's directors 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 PLC. The Company is not exposed to any significant financial risks as its assets are held in the form of liquid cash deposits.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

R Craine
B Hill
H Watson (resigned 19 March 2014)

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

DIRECTORS' REPORT

For the year ended 31 December 2014 (continued)

Directors' third party indemnity provisions

Qualifying third-party indemnity provisions were in force during the course of the financial year ended 31 December 2014 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

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to auditors

In accordance with Section 418, each director in office at the date the directors' report is approved confirms that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) 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

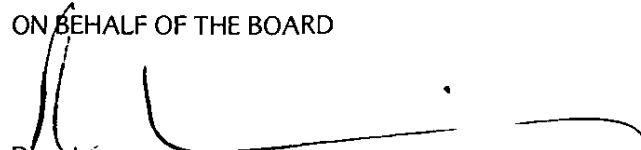
HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

DIRECTORS' REPORT
For the year ended 31 December 2014 (continued)

Independent Auditors

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

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'R. Craine', is written over the text 'ON BEHALF OF THE BOARD'.

Director

Name *R Craine*

Date *20 may 2015*

For and on behalf of Heraldglen Limited

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

STRATEGIC REPORT
For the year ended 31 December 2014

Review and principal activities

The principal activity of the Company is to act as a Corporate Member of Lloyd's. All open underwriting years of account on which the Company participated were closed on 30 September 2003 by way of reinsurance to close contracts with a new Lloyd's Syndicate. 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.

Business performance

The results of the Company show result for the financial year of nil (2013: nil). The Company had net assets of £81,625 as at 31 December 2014 (as at 31 December 2013: £81,625).

Future outlook

No significant change in the principal activity is envisaged in the foreseeable future and the directors expect the company's performance 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 Group's annual report which does not form part of this report.

Key performance indicators

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

ON BEHALF OF THE BOARD



Director *L. Crane*
Name

For and on behalf of Heraldglen Limited

Date *20 May 2015*

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

Independent auditors' report to the members of Heraldglen Limited

Report on the financial statements

Our opinion

In our opinion, Heraldglen Limited's financial statements (the "financial statements")

give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its result 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

What we have audited

Heraldglen Limited's financial statements comprise

the Balance Sheet as at 31 December 2014,

the Profit and Loss Account 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

we have not received all the information and explanations we require for our audit, or

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or

the financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility

Directors' remuneration

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)") Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

What an audit of financial statements involves

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

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

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

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

In addition, we read all the financial and non-financial information in the 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



Tamsin Parker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22 May 2015

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Interest payable and similar charges		-	-
Result on ordinary activities before taxation		-	-
Taxation on profit on ordinary activities		-	-
Result on ordinary activities after taxation		-	-

All recognised gains and losses are included in the profit and loss account. Results are 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 9 form an integral part of these financial statements.

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

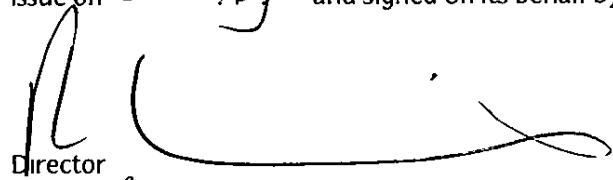
BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	2013 £
CURRENT ASSETS			
Cash at bank and in hand	4	81,525	81,525
Other debtors	5	100	100
		<hr/> 81,625	<hr/> 81,625
NET ASSETS		<hr/> 81,625	<hr/> 81,625
CAPITAL AND RESERVES			
Called up share capital	6	87,525,745	87,525,745
Share premium account	7	6,687,279	6,687,279
Profit and loss account	7	(94,131,399)	(94,131,399)
TOTAL SHAREHOLDERS' FUNDS	7	<hr/> 81,625	<hr/> 81,625

A reconciliation of movement in shareholders' funds is given in note 7

The notes 1 to 9 form an integral part of these financial statements

The financial statements on pages 6 to 10 were approved by the Board of Directors and authorised for issue on 20 May and signed on its behalf by



Director

Name L. Crane

Date 20 May 2015

For and on behalf of Heraldglen Limited

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

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. The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice. These policies have been consistently applied, other than where new policies have been adopted.

Interest

Interest expense is recognised on an accruals basis.

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred.

Cash flow statement

The Company's ultimate holding company, Barclays PLC, prepares consolidated financial statements which are publicly available. Accordingly the Company, which is a wholly owned subsidiary of Barclays PLC, has elected to utilise the exemption provided in FRS 1 (revised 1996) not to produce a cash flow statement.

2. RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION

There were no employees employed by the Company during 2014 or 2013.

The audit fee is borne by the Company's parent company, Barclays Bank PLC. Although the audit fee is borne by the Company's parent company, the fee that would have been charged to the Company amounts to £2,550 (2013: £2,550) for the year. This fee is not recognised as an expense in the financial statements.

3. DIRECTORS' EMOLUMENTS

The directors did not receive any emoluments in respect of their services to the Company during 2014 or 2013. Two directors (2013: nil) have exercised share options during the year.

HERALDGLEN LIMITED
(COMPANY NUMBER: 3261374)

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. CASH AT BANK AND IN HAND

	2014 £	2013 £
Cash at bank with group undertakings	81,525	81,525
	<u>81,525</u>	<u>81,525</u>

5. OTHER DEBTORS

	2014 £	2013 £
Other debtors	100	100
	<u>100</u>	<u>100</u>

6. CALLED UP SHARE CAPITAL

	Number of shares	Authorised £	Allotted and fully paid £
Equity interests:			
Ordinary shares of £1 each	222,781	222,781	222,683
3% cumulative First Preference shares of £1 each	3,000,000	3,000,000	2,303,062
3% cumulative Second Preference shares of £1 each	100,000,000	100,000,000	85,000,000
At 31 December 2014 and 2013	<u>103,222,781</u>	<u>103,222,781</u>	<u>87,525,745</u>

The First and Second Preference shares have been classified as equity as they represent a residual interest in the Company. They may be redeemed by the Company on not less than five business days' notice. Holders of the First Preference Shares are entitled in priority over the Second Preference and ordinary share holder, to a distribution of capital in the winding up of the Company. The holders of the preference shares are entitled to a cumulative, non-compounding fixed rate distribution of 3% on the allotted and called up preference share capital when the Board resolves to make a distribution out of available profits.

The preference shares do not carry any voting rights.

HERALDGLEN LIMITED
(COMPANY NUMBER. 3261374)

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Called up share capital account £	Share premium account £	Profit and loss account £	Total £
Balance as at 1 January 2014	87,525,745	6,687,279	(94,131,399)	81,625
Result for the year	-	-	-	-
Balance as at 31 December 2014	87,525,745	6,687,279	(94,131,399)	81,625
Balance as at 1 January 2013	87,525,745	6,687,279	(94,131,399)	81,625
Result for the year	-	-	-	-
Balance as at 31 December 2013	87,525,745	6,687,279	(94,131,399)	81,625

8. PARENT COMPANY AND ULTIMATE PARENT COMPANY

The immediate parent company is Foltus Investments Limited. The parent undertaking of the smallest group that presents group financial statements 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 financial statements. Barclays Bank PLC and Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP, England.

9. 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 PLC, the consolidated financial statements of which are publicly available. There have been no transactions with related parties requiring disclosure in either 2014 or 2013 other than those reported in the financial statements.