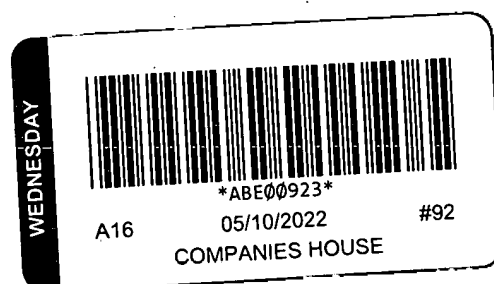


Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



BARCLAYS UNQUOTED INVESTMENTS LIMITED

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BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their annual report together with the audited financial statements of Barclays Unquoted Investments Limited (the 'Company') for the year ended 31 December 2021.

Profits and dividends

During the year the Company made a profit after tax of £75,391,421 (2019: £46,171,158). A dividend of £nil was paid in 2021 (2020: £15,000,000).

Post balance sheet events

On 23 September 2022 the Chancellor of the Exchequer announced that the UK corporation tax rate will remain at 19% from 1 April 2023, reversing a previously enacted measure to increase the UK corporation tax rate to 25%. The announcement of the reversal in the tax rate from 1 April 2023 was not enacted or substantively enacted at the balance sheet date and accordingly has no impact on the tax balances at 31 December 2021.

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:

F Banks (resigned 06 May 2021)
A D Challis
G J Chapman
P W Forrest (appointed 01 August 2022)
D R Mudie
M Temani (appointed 11 May 2021) (resigned 29 July 2022)

Since the year end P W Forrest was appointed as a Director on 01 August 2022 and M Temani resigned as a Director on 29 July 2022.

Going concern

After reviewing the Company's financial position and performance projections (including, where relevant, the impact of the COVID-19 pandemic, current geopolitical tensions and recent uncertain market conditions), the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements (continued)

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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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 risk management

The Company's activities are exposed to a variety of financial risks. The Company is required to follow the requirements of the Group risk management policies, which include specific guidelines on the management of foreign exchange, interest rate and credit risks, and advice on the use of financial instruments to manage them. The main financial risks that the Company is exposed to are outlined in note 18.

Directors third party indemnity provisions

Qualifying third party indemnity provisions were in force (as defined by section 234 of the Companies Act 2006) during the course of the financial year ended 31 December 2021 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, including qualifying third party indemnity provisions and qualifying indemnity provisions which may occur (or have occurred) in connection with their duties, powers or office.

Environment

The Barclays Group focuses on addressing environmental issues where it is felt that there is the greatest potential to make a difference. As the global effort to tackle climate change grows, the Barclays Group is moving rapidly to take a leading role in contributing to the transition to a low-carbon economy. In March 2020, Barclays Group set out its ambition to be a net zero bank by 2050.

To successfully fulfil against our Purpose, we must ensure that we address the needs of all our stakeholders. This includes our customers and clients, colleagues, investors and the societies in which we operate.

The longevity of our business can only be ensured if we help tackle the challenges of our time, such as social inequality and climate change, whilst minimising any unintended and adverse impacts of our operations and our business as a financial institution. To this end we seek to identify and understand the environmental, social and governance factors which impact our organisation and how we shape and impact the environment and society around us. We do this in the context of the financial services we provide, the geographies in which we operate and the needs of our customers and clients.

We will continue to identify new opportunities and strive to integrate our broader social and environmental impact into the way we run and govern our business and the work we do every day to help customers and clients, colleagues and society.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Environment (continued)

While we have managed ESG issues for several years, our approach continues to evolve in response to a dynamic external environment, increasing investor and other stakeholder attention and continued innovation in our business and product offerings. We recognise that the focus on the societal impact of businesses and performance against wider ESG factors has increased in recent years, with growing interest from a range of stakeholders including investors, clients, policy makers and regulators.

Disclosure of global greenhouse gas emissions is done at a Barclays Group level with information available in the Barclays PLC Annual Report 2021 with fuller disclosure available on our website at home.barclays.com/citizenship.

Independent auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of disclosure of information to auditor

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

In response to The Companies (Miscellaneous Reporting) Regulations 2018, further information on stakeholder engagement can be found in the Strategic Report.

This report was approved by the Board on 29 September 2022 and signed on its behalf:

DocuSigned by:

David Mudie

CB15455B88B9429...

D R Mudie

Director

Date: 29 September 2022

Registered number: 02156066

1 Churchill Place, London, E14 5HP

BARCLAYS UNQUOTED INVESTMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Business review and principal activities

The principal activity of the Company is to provide equity finance to support the development of established businesses requiring funding for their next phase of growth/ownership. The Company made twenty new investments and fourteen disposals in the year of 2021. (2020: Twenty five new investments and two disposals).

Business performance

The results of the Company show a profit after tax of £75,391,421 (2020: £46,171,158) for the year. The Company has net assets of £366,904,983 (2020: £291,513,562). Net cash from operating activities for 2021 was £6,268,153 (2020: used in operating activities £9,303,150).

Future outlook

The immediate economic outlook in 2022 remains uncertain. A further worsening of economic conditions would, likely, favour the Company, which remains well funded, by implying a renewed stream of investment opportunities which are consistent with the principal activity of the Company.

The Company will therefore focus on the active investment management of its portfolio to ensure that, wherever feasible, the businesses are robust enough to handle the on-going difficult trading conditions, including being able to take advantage of acquisition and organic growth opportunities. In addition, the medium term outlook is positive for the successful realisation of certain assets.

Principal risks & uncertainties

The Company is exposed to internal and external risks of ongoing activities. These risks are managed as part of the Company's business model.

The COVID-19 pandemic continued in 2021 and may persist for a prolonged period. However, the negative economic impact of the pandemic was mainly in 2020 with markets appreciating in value in 2021.

Furthermore, the current geopolitical tensions that arose in 2022 may also persist for a prolonged period and introduce broad macroeconomic risks, which result in market volatility.

The key business risks affecting the Company are primarily around: effective investment selection and structuring; documenting of investor protection rights; and on-going tracking of business performance within the investment portfolio. The above risks are managed by: bi-annual investment valuations process; regular portfolio reviews; and through the use of investor protection rights. The Company did not invoke the investor protection rights on any of its investments during the year.

Key performance indicators

The Company has made significant progress during the year on its objectives and business strategy. The Board of Directors monitors progress on the overall strategy by reference to the following key performance indicators: the number of new investments made: twenty (2020: twenty five); disposals of investments: fourteen (2020: two); the value of fair value through profit and loss assets: £384,295,843 (2020: £314,802,385).

Section 172(1) statement

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the Company for the benefit of its sole member and this section forms our Section 172 disclosure, describing how, in doing so, the Directors considered the matters set out in section 172(1)(a) to (f) of the Companies Act 2006. The Directors also took into account the views and interests of a wider set of stakeholders.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Section 172(1) statement (continued)

The Directors considered, amongst other matters, the following:

- the likely consequences of any decision in the long term;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company's maintaining a reputation for high standards of business conduct; and
- to act fairly between members of the Company.

You can find out more about who the Barclays Group's stakeholders are, how management and/or the Directors engaged with them, the key issues raised and actions taken on pages 16 to 19 of the Barclays PLC annual report 2021 which is incorporated by reference into this statement.

Considering this broad range of interests is an important part of the way the Board makes decisions; however, in balancing those different perspectives it won't always be possible to deliver everyone's desired outcome.

How does the Board engage with stakeholders?

Depending on the decision in question, the relevance of each particular stakeholder group may differ and equally the Board adopts a variety of methods of engagement with different stakeholder groups. The Board will sometimes engage directly with certain stakeholders on certain issues, but the size and distribution of our stakeholders and of the Company means that stakeholder engagement often takes place at an operational level.

In addition, to ensure a more efficient and effective approach, certain stakeholder engagement is led at Barclays Group level, in particular where matters are of group-wide significance or have the potential to impact the reputation of the Barclays Group.

The Board considers and discusses information from across the organisation to help it understand the impact of the Company's operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person presentations.

As a result of these activities, the Board has an overview of engagement with stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under section 172 of the Companies Act 2006.

The following is an example of how the Directors have had regard to the matters set out in sections 172 (1)(a)-(f) when discharging their section 172 duties and the effect of that on certain of the decisions taken by them.

Engagement in action

COVID-19

Throughout 2021, as the pandemic continued, the primary focus of the Company and the Board has been on (i) maintaining service levels with strategic partners; (ii) the operational and financial resilience of the Company; (iii) the health and wellbeing of colleagues; and (iv) the control environment. The Board has demonstrated leadership and oversight during the pandemic, and this continues at the date of this report.

This report was approved by the Board on 29 September 2022 and signed on its behalf:

DocuSigned by:

David Mudie

CB15455B88B9429...

D R Mudie

Director

Date: 29 September 2022

Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Barclays Unquoted Investments Limited for the year ended 31 December 2021 which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the accounting policies in note 5.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED (CONTINUED)

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and operational managers including inspection of policy documentation as to the Company's high-level policies to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading of Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit, we do not believe there is a fraud risk related to revenue recognition because the calculation of revenue is straightforward with no judgement involved in the calculation, and no pressures or incentives for management to manipulate revenue have been identified.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the group-wide fraud risk management controls.

We identified journal entries to test based on high risk criteria as well as testing all material post-closing journals. We compared the identified entries to supporting documentation. Such as posting to account linked to a fraud risk and key words such as reversal, restatement reclassification.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors and other management (as required by auditing standards), and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect of amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's licence to operate.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED (CONTINUED)

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as they may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and Directors' report

The Directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements of our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 2 and 3, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Green (Senior Statutory Auditor)

for and on behalf of

KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

03 October 2022

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Continuing operations			
Revenue	6	88,587,140	51,688,413
Gross profit		<u>88,587,140</u>	<u>51,688,413</u>
Administrative expenses		125	(23,967)
Operating profit		<u>88,587,265</u>	<u>51,664,446</u>
Exchange profit and loss		353,369	(211,880)
Interest income and similar income	7	8,545,775	8,248,470
Interest expense and similar expense	7	(11,996,259)	(13,087,265)
Profit before tax	8	<u>85,490,150</u>	<u>46,613,771</u>
Tax expense	10	(10,098,729)	(442,613)
Profit for the year		<u><u>75,391,421</u></u>	<u><u>46,171,158</u></u>

Profit or loss from 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 the financial statements.

BARCLAYS UNQUOTED INVESTMENTS LIMITED
REGISTERED NUMBER: 02156066

STATEMENT OF FINANCIAL POSITION,
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Assets			
Non-current assets			
Investments in equity-accounted associates	11	-	-
Investment in subsidiaries		-	2
Long term deposits	14	11,561,581	427,898,713
Total non-current assets		11,561,581	427,898,715
Current assets			
Financial assets mandatorily at fair value through income statement	12	384,295,843	314,802,385
Derivative financial assets		-	48,781
Other assets		420,755	365,743
Cash and cash equivalents		145,927,704	103,865,800
Short term deposits	14	508,311,566	6,204,526
Current tax assets	10	1,220,762	4,536,891
Total current assets		1,040,176,630	429,824,126
Total assets		1,051,738,211	857,722,841
Liabilities			
Non-current liabilities			
Deferred tax liabilities	10	15,851,474	4,685,665
Long term borrowings	15	91,812,439	532,313,680
Total non-current liabilities		107,663,913	536,999,345
Current liabilities			
Trade and other payables	16	622,015	228,952
Short term borrowings	15	576,547,300	28,980,982
Total current liabilities		577,169,315	29,209,934
Total liabilities		684,833,228	566,209,279
Net assets		366,904,983	291,513,562
Issued capital and reserves			
Share capital	17	1,000	1,000
Retained earnings		366,903,983	291,512,562
TOTAL EQUITY		366,904,983	291,513,562

BARCLAYS UNQUOTED INVESTMENTS LIMITED
REGISTERED NUMBER: 02156066

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

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

The financial statements were approved and authorised for issue by the Board of Directors on 29 September 2022 and were signed on its behalf by:

DocuSigned by:

David Mudie

CB15455B88B9429...

D R Mudie

Director

Date: 29 September 2022

Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2021	1,000	291,512,562	291,513,562
Comprehensive income for the year			
Profit for the year	-	75,391,421	75,391,421
Total comprehensive income for the year	-	75,391,421	75,391,421
At 31 December 2021	1,000	366,903,983	366,904,983

	Share capital £	Retained earnings £	Total equity £
At 1 January 2020	1,000	260,341,404	260,342,404
Comprehensive income for the year			
Profit for the year	-	46,171,158	46,171,158
Total comprehensive income for the year	-	46,171,158	46,171,158
Contributions by and distributions to owners			
Dividends	-	(15,000,000)	(15,000,000)
Total contributions by and distributions to owners	-	(15,000,000)	(15,000,000)
At 31 December 2020	1,000	291,512,562	291,513,562

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

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Continuing operations		
Cash flows from operating activities		
Profit for the year	75,391,421	46,171,159
Adjustments for		
Net finance income	3,450,484	(69,522)
Net gain on financial instruments held at fair value through the income statement	(87,393,740)	(60,537,711)
Income tax expense	10,098,729	442,613
	<u>1,546,894</u>	<u>(13,993,461)</u>
Changes in operating assets and liabilities		
Increase in loans and other receivables	(55,012)	(8,295,404)
Increase in trade and other payables	393,062	12,985,715
	<u>1,884,944</u>	<u>(9,303,150)</u>
Cash generated from operations		
Tax paid	4,383,209	-
	<u>6,268,153</u>	<u>(9,303,150)</u>
Net cash from/(used in) operating activities		
	<u>6,268,153</u>	<u>(9,303,150)</u>
Cash flows from investing activities		
Purchase of investments	(49,286,305)	(52,656,049)
Proceeds from sale of investments	57,709,897	138,777,892
Interest received	8,545,775	8,317,991
Dividends received	9,525,473	7,206,084
	<u>26,494,840</u>	<u>101,645,918</u>
Net cash from investing activities		
	<u>26,494,840</u>	<u>101,645,918</u>
Cash flows from financing activities		
Proceeds from bank borrowings	107,065,077	(12,098,932)
Interest paid	(11,996,259)	(13,087,265)
Dividends paid	-	(15,000,000)
	<u>95,068,818</u>	<u>(40,186,197)</u>
Net cash from/(used in) financing activities		
	<u>95,068,818</u>	<u>(40,186,197)</u>
Net cash increase in cash and cash equivalents		
	<u>127,831,811</u>	<u>52,156,571</u>
Cash and cash equivalents at the beginning of year*	537,969,040	485,812,469
Cash and cash equivalents at the end of the year*	<u>665,800,851</u>	<u>537,969,040</u>

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

*Cash and cash equivalents include callable loans and deposits given to group companies of £519.87m (2020: £434.10m).

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Reporting entity

These financial statements are prepared for Barclays Unquoted Investments Limited (the 'Company'), the principal activity of which is to provide equity finance to support the development of established businesses requiring funding for their next phase of growth/ownership.

The financial statements are separate financial statements prepared for the Company only, in line with the UK Companies Act 2006. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group. The parent undertaking of the smallest group that presents consolidated financial statements is Barclays PLC and the ultimate holding company and the parent undertaking of the largest group that presents group financial statements is Barclays PLC, both of which prepare consolidated financial statements in accordance with UK-adopted international accounting standards and accordingly consolidated financial statements have not been prepared based on the exemption provided under paragraph 4(a) of IFRS 10.

The Company is a private limited company domiciled and incorporated in England And Wales. The Company's registered office is at 1 Churchill Place, London, E14 5HP.

2. Compliance with international accounting standards

The financial statements have been prepared in accordance with UK-adopted international accounting standards. The principal accounting policies applied in the preparation of the individual financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied.

3. Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IFRS 9, as set out in the relevant accounting policies. They are presented in Pound Sterling (GBP), the currency of the country in which the Company is incorporated

After reviewing the Company's financial position and performance projections (including, where relevant, the impact of the COVID-19 pandemic, current geopolitical tensions and recent uncertain market conditions), the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

4. New and amended standards

i) New standards, interpretations and amendments effective from 1 January 2021

There are no new amended standards that have had a material impact on the Company's accounting policies.

ii) New standards, interpretations and amendments not yet effective

There are no new amended standards that are expected to have a material impact on the Company's accounting policies.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Summary of significant accounting policies

5.1 Foreign currency translation

The Company applies IAS 21 The Effects of Changes in Foreign Exchange Rates. Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Foreign currency monetary balances are translated into Sterling at the period end exchange rates. Exchange gains and losses on such balances are taken to the income statement. Non-monetary foreign currency balances in relation to items measured in terms of historical cost are carried at historical transaction date exchange rates. Non-monetary foreign currency balances in relation to items measured at fair value are translated using the exchange rate at the date when the fair value was measured.

5.2 Revenue recognition

The Company applies IFRS 15 Revenue from Contracts with Customers. The standard establishes a five-step model governing revenue recognition. The five-step model requires Barclays Group to (i) identify the contract with the customer, (ii) identify each of the performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognise revenue as each performance obligation is satisfied.

Included in the revenue are fair value movements (on financial assets held at fair value through the income statement), gains on disposals and other income from financial assets (dividends).

5.3 Interest

Interest income or expense is recognised on all interest bearing financial assets classified as loans and receivables and on interest bearing financial liabilities using the effective interest method.

The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument. The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment.

5.4 Current and deferred 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 year or prior year taxable profits.

Deferred income tax is provided in full, using the liability method, on temporary differences arising from the differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Deferred income tax is determined using tax rates and legislation enacted or substantively enacted by the balance sheet date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences except from the initial recognition of goodwill. Deferred tax is not recognised where the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred and current tax assets and liabilities are only offset where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously with the same tax authority.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Summary of significant accounting policies (continued)

5.5 Financial assets and liabilities

The Company applies IFRS 9 Financial Instruments to the recognition, classification and measurement, and derecognition of financial assets and financial liabilities and the impairment of financial assets.

Recognition

The Company recognises financial assets and liabilities when it becomes a party to the terms of the contract. Trade date or settlement date accounting is applied depending on the classification of the financial asset.

Classification and measurement

Financial assets are classified on the basis of two criteria:

- i) the business model within which financial assets are managed; and
- ii) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

The Company assesses the business model criteria at a portfolio level. Information that is considered in determining the applicable business model includes (i) policies and objectives for the relevant portfolio, (ii) how the performance and risks of the portfolio are managed, evaluated and reported to management, and (iii) the frequency, volume and timing of sales in prior periods, sales expectation for future periods, and the reasons for such sales.

The contractual cash flow characteristics of financial assets are assessed with reference to whether the cash flows represent SPPI. In assessing whether contractual cash flows are SPPI compliant, interest is defined as consideration primarily for the time value of money and the credit risk of the principal outstanding. The time value of money is defined as the element of interest that provides consideration only for the passage of time and not consideration for other risks or costs associated with holding the financial asset. Terms that could change the contractual cash flows so that it would not meet the condition for SPPI are considered, including: (i) contingent and leverage features, (ii) non-recourse arrangements and (iii) features that could modify the time value of money.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets measured at amortised cost

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

In determining whether the business model is a 'hold to collect' model, the objective of the business model must be to hold the financial asset to collect contractual cash flows rather than holding the financial asset for trading or short-term profit taking purposes. While the objective of the business model must be to hold the financial asset to collect contractual cash flows this does not mean the Company is required to hold the financial assets until maturity. When determining if the business model objective is to collect contractual cash flows the Company will consider past sales and expectations about future sales.

Loans and advances and financial liabilities, are held at amortised cost. That is, the initial fair value (which is normally the amount advanced or borrowed) is adjusted for repayments and the amortisation of coupon, fees and expenses to represent the effective interest rate of the asset or liability. Balances deferred on-balance sheet as effective interest rate adjustments are amortised to interest income over the life of the financial instrument to which they relate.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Summary of significant accounting policies (continued)

Financial assets and liabilities (continued)

Financial assets measured at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss

Other financial assets are measured at fair value through profit and loss. There is an option to make an irrevocable election for non-traded equity investments to be measured at fair value through other comprehensive income, in which case dividends are recognised in profit or loss, but gains or losses are not reclassified to profit or loss upon derecognition, and impairment is not recognised in the income statement.

Accounting for financial assets mandatorily at fair value through profit or loss

Financial assets that are held for trading are recognised at fair value through profit or loss. In addition, financial assets are held at fair value through profit or loss if they do not contain contractual terms that give rise on specified dates to cash flows that are SPPI, or if the financial asset is not held in a business model that is either (i) a business model to collect the contractual cash flows or (ii) a business model that is achieved by both collecting contractual cash flows and selling. Subsequent changes in fair value for these instruments are recognised in the income statement in net investment income, except if reporting it in trading income reduces an accounting mismatch.

Accounting for financial assets designated at fair value

Financial assets, other than those held for trading, are classified in this category if they are so irrevocably designated at inception and the use of the designation removes or significantly reduces an accounting mismatch.

Subsequent changes in fair value are recognised in the income statement in net investment income.

Determining fair value

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted market price in an active market wherever possible.

5.6 Share capital and dividends

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.

5.7 Dividends on ordinary 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 Directors.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****5. Summary of significant accounting policies (continued)****5.8 Cash and cash equivalents**

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

5.9 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.

Investment in associates are stated at cost, less impairment, if any, in assessing whether there is any inclusion that an investment in associate may be impaired, the Company considers whether the asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use.

Investments in associates are not accounted for using the equity method since the Company is a wholly owned subsidiary with no publicly traded financial instruments in issue, is not filing financial statements with a regulatory body in connection with a public issue, and the ultimate parent produces consolidated financial statements available for public use that comply with International Financial Reporting Standards.

5.10 Critical accounting estimates

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying the accounting policies. There are no key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements.

6. Revenue

	2021	2020
	£	£
Net gains on financial instruments held at fair value through the income statement	77,868,268	53,331,626
Dividends from equity investments	9,492,715	52,139
Other income/(expense) from financial assets	1,226,157	(1,695,352)
Total	88,587,140	51,688,413

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****7. Finance income and expense****Recognised in profit or loss**

	2021 £	2020 £
Finance income		
Bank interest received	8,545,775	8,248,470
Total finance income	<u>8,545,775</u>	<u>8,248,470</u>
Finance expense		
Bank interest paid	11,996,259	13,087,265
Total finance expense	<u>11,996,259</u>	<u>13,087,265</u>
Net finance expense recognised in profit or loss	<u>(3,450,484)</u>	<u>(4,838,795)</u>

8. Profit before tax

The audit fees of £16,000 (2020 £16,000) have been borne by Barclays Bank PLC and have not been recharged to the Company. The fee is not recognised as an expense in the financial statements of the Company.

9. Employees and key management, including Directors

The Directors did not receive any emoluments in respect of their services to the Company during the year (2020: £nil).

None of the Directors exercised options under the Barclays PLC Sharesave scheme and Long Term Incentive Schemes during 2021 (2020: £nil).

The Company made no loans, guarantees or other such dealings to its Directors and others during the year.

The Company had no employees during 2021 (2020: nil).

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the Directors of the Company listed on page 2, and the Financial Controller of the Company.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****10. Tax expense****10.1 Income tax recognised in profit or loss**

	2021 £	2020 £
Current tax expense / (credit)		
Current year	(1,104,030)	(902,522)
Adjustment for prior years	36,950	(3,340,956)
Total current tax credit	(1,067,080)	(4,243,478)
Deferred tax expense		
Current year	7,360,016	4,686,139
Adjustment for prior years	1,423	-
Rate change adjustment	3,804,370	(48)
Total deferred tax expense	11,165,809	4,686,091
Total current tax	10,098,729	442,613
Total tax expense	10,098,729	442,613

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2021 £	2020 £
Profit for the year	75,391,421	46,171,158
Income tax expense	10,098,729	442,613
Profit before income taxes	85,490,150	46,613,771
Tax using the Company's domestic tax rate of 19% (2020: 19%)	16,243,129	8,856,616
Adjustment for prior years	38,373	(3,340,956)
Non-taxable income	(15,527,938)	(9,850,754)
Non-taxable dividend income	(1,819,151)	(9,906)
Recognition of deferred tax	7,359,946	4,686,054
Tax arising on disposal of investment	-	101,607
Rate change adjustment	3,804,370	(48)
Total tax expense	10,098,729	442,613

Changes in tax rates and factors affecting the future tax charges

On 22 July 2020 the Finance Act 2020 received Royal Assent, resulting in the UK corporation tax rate remaining at 19% from 1 April 2020 onwards instead of reducing to 17%, the previously enacted rate. This 19% rate has therefore been used to calculate current tax balances for the year ended 31 December 2021.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****10. Tax expense (continued)****10.2 Current tax assets**

	2021 £	2020 £
Group relief receivable	1,220,762	4,536,891

10.3 Deferred tax balances

The following is the analysis of deferred tax (assets)/liabilities presented in the Statement of Financial Position:

	2021 £	2020 £
Provision at start of period	4,685,665	(426)
Deferred tax charge to income statement for the period	7,360,016	4,686,139
Effect of changes in tax rates	3,804,370	(48)
Adjustments for prior years	1,423	-
Provision at end of period	15,851,474	4,685,665
Fixed asset timing differences	(398)	(388)
Unrealised gains on investments	15,851,872	4,686,053
Total	15,851,474	4,685,665

Legislation has been introduced to increase the main rate of corporation tax from 19% to 25%, effective from 1 April 2023, which was substantively enacted on 24 May 2021. This will have a consequential impact on the Company's future tax charge. Therefore, any deferred tax balances have been remeasured at the tax rate to be applied when temporary differences are expected to reverse.

On 23 September 2022 the Chancellor of the Exchequer announced that the UK corporation tax rate will remain at 19% from 1 April 2023, reversing a previously enacted measure to increase the UK corporation tax rate to 25%. The announcement of the reversal in the tax rate from 1 April 2023 was not enacted or substantively enacted at the balance sheet date and accordingly has no impact on the tax balances at 31 December 2021.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****11. Related undertakings****Investments in associates**

Movements in and details of, the Company's long term investments in associates is as follows:

	2021 £	2020 £
As at 1st January	-	1,815,087
Disposals	-	(1,815,087)
At 31 December	-	-
Impairment at 1 January	-	(418,306)
Charge for the year	-	-
Disposals	-	418,306
Impairment at 31 December	-	-
Net book value	-	-

12. Financial assets fair value through the income statement

	2021 £	2020 £
Equity securities	361,864,761	289,949,438
Other financial assets	22,431,082	24,852,947
Total	384,295,843	314,802,385

An analysis of the fair values of these securities and the valuation methodology applied are described in note 19.

Information relating to financial risks is included in note 18.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****13. Derivative financial assets**

	2021 £	2020 £
Current		
Derivatives held under equity option	-	48,781
Total	<u>-</u>	<u>48,781</u>

14. Deposits

	2021 £	2020 £
Short term deposits - due to related parties	508,311,566	6,204,526
Long term deposits - due to related parties	11,561,581	427,898,713
	<u>519,873,147</u>	<u>434,103,239</u>

The Directors consider that the carrying amount of the deposits approximates their fair value.

The deposits above are stage 1 as at the 31 December 2021 (2020: Stage 1) and the Expected Credit Losses (ECL) are immaterial.

15. Borrowings

	2021 £	2020 £
Short term borrowings - due to related parties	576,547,300	28,980,982
Long term borrowings - due to related parties	91,812,439	532,313,680
Total	<u>668,359,739</u>	<u>561,294,662</u>

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****16. Trade and other payables**

	2021 £	2020 £
Current		
Trade payables	208,421	208,420
Payables to related parties	20,530	20,532
Accrued expenses	393,064	-
Total	622,015	228,952

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

17. Share capital**Authorised**

	2021 Number	2021 £	2020 Number	2020 £
Shares treated as equity				
Ordinary shares of £1.00 each	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Issued and fully paid

	2021 Number	2021 £	2020 Number	2020 £
Ordinary shares of £1.00 each				
At 1 January and 31 December	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****18. Financial risks**

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

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

a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company.

The Company assesses all investments before proceeding and there is a formal approval process via an Investment Committee, who also track the performance of all investments throughout the life of each investment. This Investment Committee would also agree any material changes in investment terms and the management thereof. The Company does not hold collateral in respect of its investments, per the nature of its activity.

Maximum exposure to credit risk

The Company's maximum exposure to credit risk is the carrying value of the assets. This analysis and subject analyses of credit risk include only financial assets subject to credit risk. They exclude other financial assets, mainly equity securities held in the trading portfolio or as available for sale assets, as well as non-financial assets.

The following table shows the maximum exposure to credit risk:

	2021	2020
	£	£
Cash and cash equivalents	145,927,704	103,865,800
Financial assets at fair value through the income statement		
Other financial assets	22,431,083	24,852,947
Other assets	420,755	365,743
Total maximum exposure	168,779,542	129,084,490

The Company does not hold any collateral as security.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****18. Financial risks (continued)****b) Liquidity risk**

Liquidity risk is the risk that the Company's cash and committed facilities may be insufficient to meet its payment obligations as they fall due. The Company has the financial support of the parent undertaking Barclays PLC, it also maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Company has sufficient available funds for operations.

The medium to long term nature of the assets are funded by share capital and loans from the parent and, therefore, the only Liquidity risk is likely to be short term in relation to drawing of capital to meet investment objectives. The Company seeks to settle payables positions as soon as possible.

Contractual maturity of financial liabilities on an undiscounted basis

The table below presents the cash flows payable by the company under financial liabilities by remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows of all financial liabilities (i.e. nominal values), whereas the Company manages the inherent liquidity risk based on discounted expected cash inflows.

As at 31st Dec 2021	<=1 year	1-2 years	2-5 years	5-10 years	>10 years	Total
	£	£	£	£	£	£
Trade & other payables	622,015	-	-	-	-	622,015
Short term borrowings	576,547,300	-	-	-	-	576,547,300
Long term borrowings	-	-	37,240,052	54,572,387	-	91,812,439
Total	577,169,315	-	37,240,052	54,572,387	-	668,981,754

As at 31st Dec 2020	<=1 year	1-2 years	2-5 years	5-10 years	>10 years	Total
	£	£	£	£	£	£
Trade & other payables	228,952	-	-	-	-	228,952
Short term borrowings	28,980,982	-	-	-	-	28,980,982
Long term borrowings	-	-	506,571,724	25,741,956	-	532,313,680
Total	29,209,934	-	506,571,724	25,741,956	-	561,523,614

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****18. Financial risks (continued)****c) Market risk**

Market risk is the risk that the Company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, equity prices and foreign exchange rates.

Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Company's interest bearing financial assets and liabilities.

Interest rate sensitivity analysis

The sensitivity of the income statement is the effect of assumed changes in interest rates on the net interest income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 31 December 2021.

Impact on net interest income and equity

The effect on interest of a 25 basis points change would be as follows:

	2021	2021	2020	2020
	+25 basis points	-25 basis points	+25 basis points	-25 basis points
Total £	31,895	(31,895)	19,293	(19,293)
As a percentage of net interest income	(1%)	1%	0%	0%

Foreign currency risk

Items included in the financial statements of the Company are measured using their functional currency.

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the period end. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in the income statement.

Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Exchange differences on equities and similar non-monetary items held at fair value through profit and loss, are reported as part of the fair value gain or loss. Translation differences on equities classified as available for sale financial assets and non-monetary items are included directly in equity.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****18. Financial risks (continued)****Foreign currency risk (continued)**

The following sensitivity table demonstrates the effects of a 10% rise or fall in foreign exchange rates for each of the major foreign currency exposures of the Company:

	2021 £	2021 %	2021 £	2021 %
Effect on income	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP
US Dollar	(1,151,467)	(1.5%)	1,407,348	1.9%
Euro	(421,837)	(0.6%)	515,579	0.7%
AUD	13,110	0.0%	16,023	0.0%
CAD	75,722	0.1%	(92,550)	(0.1%)
HKD	16,158	0.0%	(19,749)	0.0%

	2020 £	2020 %	2020 £	2020 %
Effect on income	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP
US Dollar	(2,993,090)	(8.5%)	3,658,222	10.4%
Euro	(649,147)	(1.9%)	793,402	2.3%
AUD	(814,046)	(2.3%)	994,945	2.8%
CAD	-	-	-	-
HKD	(280,813)	(0.8%)	343,216	1.0%

Price risk

Price risk is the risk that market prices for the Company's investment securities measured at fair value may fall. The Company is exposed to equity securities price risk because of investments held at fair value through profit or loss. The Company is not exposed to commodity price movements.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio and ensures all investments are pre-approved by its Investment Committee. Price risk is tracked via half yearly Valuations Committee and fair values applied as a result of this and any Directors over-rides at the reporting date.

Investments are predominantly in unquoted private companies therefore, successful price risk management is achieved by ensuring that the Company pays an appropriate price at purchase and also that each investment will achieve value growth prior to disposal.

The fair value of the investments can be affected by the volatility in the markets in which they operate, impacting upon comparable price/earnings ratio (PE), an observable measure which can be used to value these investments.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****18. Financial risks (continued)****Price risk (continued)**

The investments are valued in accordance with the 'International Private Equity and Venture Capital Valuation Guidelines'. This requires the use of a number of individual pricing benchmarks such as the prices of recent transactions in the same or similar entities, discounted cash flow analysis, and comparison with the earnings multiples of listed comparative companies. Full valuations are generally performed at least bi-annually, with the positions reviewed periodically for material events that might impact upon fair value. The valuation of unquoted equity instruments is subjective by nature. However, the relevant methodologies are commonly applied by other market participants and have been consistently applied over time.

The relevant valuation models are each sensitive to a number of key assumptions, such as equity prices for equity put options, projected future earnings, comparator multiples, discount rates for marketability, size and liquidity. Valuation sensitivity is estimated by flexing such assumptions on the discount factor to reasonable alternative levels and determining the impact in the resulting valuation.

	Fair value	Favourable changes		Unfavourable changes	
	Total assets	Income statement	Equity	Income statement	Equity
	£	£	£	£	£
As at 31 Dec 2021					
Fair value through income statement	-	31,933,609	-	(27,283,926)	-
Total	-	31,933,609	-	(27,283,926)	-
As at 31 Dec 2020					
Fair value through income statement	-	22,363,412	-	(23,915,363)	-
Total	-	22,363,412	-	(23,915,363)	-

Significant unobservable inputs

The Company uses 'Current Earnings Multiples' and 'Net Asset Value' approach to value its investments. This methodology involves the application of an 'earnings multiple' to the best estimate of 'maintainable earnings' of the business to determine the Enterprise Value of the business which is then allocated to the various interests – which includes the Company's investments. This means making a judgement over the outlook for the current underlying trend in trading to determine what is reasonably maintainable earnings.

In the difficult situations involving rescue financing or a turnaround of the business, where it is not unusual for such businesses to be loss making at the point of investment it is not representative to use a current earnings approach. The IPEV guidance is that fair value in most of these cases should be possible to estimate on the amount a market participant would pay for the investment in question.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****19. Fair value measurement**

The fair value of an asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table shows the Company's financial assets and liabilities that are held at fair value analysed by valuation technique. The classification of instruments is based on the lowest level input that is significant to the fair value measurement in its entirety. A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations based on unobservable inputs is described below.

	Quoted market prices (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
31 December 2021	£	£	£	£
Financial assets				
Financial assets at fair value through the income statement - equity securities	-	-	361,864,761	361,864,761
Financial assets at fair value through the income statement - other securities	-	-	22,431,082	22,431,082
Derivative financial assets	-	-	-	-
Total assets	-	-	384,295,843	384,295,843

	Quoted market prices (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
31 December 2020	£	£	£	£
Financial assets				
Financial assets at fair value through income statement - equity securities	25,029,116	-	264,920,321	289,949,437
Financial assets at fair value through income statement - other securities	-	-	24,852,947	24,852,947
Derivative financial assets	-	-	48,781	48,781
Total assets	25,029,116	-	289,822,049	314,851,165

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Fair value measurement (continued)

Valuation methodology

A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations based on unobservable inputs is described below.

Quoted market prices - Level 1

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Valuation technique using observable inputs - Level 2

Financial instruments classified as Level 2 have been valued using models whose inputs are observable in an active market. Valuations based on observable inputs include financial instruments such as swaps and forwards which are valued using market standard pricing techniques, and options that are commonly traded in markets where all the inputs to the market standard pricing models are observable.

Valuation technique using significant unobservable inputs - Level 3

Assets are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

Unobservable input levels are generally determined via reference to observable inputs, historical observations or using other analytical techniques.

Methods of valuation used for the Level 3 assets are earnings multiple, net asset value, transaction and equity option. These are used in isolation per investment or a blended combination. These methods contain a number of unobservable data inputs which have been listed below.

- Earnings Multiples includes multiples (3.5x – 14.4x) and discounts (0%-50%).
- Net Asset Value being our equity percentage of the net asset value based on the management accounts of the investment companies.
- Transaction based on recent third party arm's length transactions within the investment company. These transactions are within a year of the valuation date.
- Equity put option, the value of the put option is dependent on the strike price of an unlisted equity investment, which is valued using an earnings multiple. This is currently 1.5x above the share price.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Fair value measurement (continued)

Movements in Level 3 assets

The following table summarises the movements in the Level 3 balance during the year. The table shows gains and losses and includes amounts for all assets and liabilities transferred to and from Level 3 during the year. Transfers have been reflected as if they had taken place at the beginning of the year.

	As at 1 January	Purchases	Sales	Total gains and losses in the year recognised in the income statement	As at 31 December
	£	£	£	£	£
2021					
Financial assets designated at fair value	289,773,269	49,286,307	(18,326,175)	63,562,442	384,295,843
Derivative financial assets	48,781	-	-	(48,781)	-
Total assets	<u>289,822,050</u>	<u>49,286,307</u>	<u>(18,326,175)</u>	<u>63,513,661</u>	<u>384,295,843</u>
2020					
Financial assets designated at fair value	209,488,577	52,656,045	(6,200,543)	33,829,190	289,773,269
Derivative financial assets	399,377	-	-	(350,596)	48,781
Total assets	<u>209,887,954</u>	<u>52,656,045</u>	<u>(6,200,543)</u>	<u>33,478,594</u>	<u>289,822,050</u>

The Company has not disclosed fair value levelling for cash and cash equivalents in line with IFRS 7.29(a).

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****20. Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both.

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

Other related party transactions

Other related party transactions are as follows:

Related party relationship	Type of transaction	Transaction amount		Balance outstanding	
		2021	2020	2021	2020
		£	£	£	£
Profit or Loss and Other Comprehensive Income					
Fellow subsidiaries	Interest received	8,545,775	8,248,470	-	-
Fellow subsidiaries	Interest paid	(11,996,259)	(13,087,265)	-	-
Statement of Financial Position					
Fellow subsidiaries	Deposits	-	-	519,873,319	434,115,335
Fellow subsidiaries	Cash and cash equivalents	-	-	145,927,704	103,865,800
Parent company	Borrowings	-	-	(348,216,062)	(348,216,062)
Fellow subsidiaries	Borrowings	-	-	(320,164,207)	(213,099,132)
Wholly owned subsidiary	Equity	-	-	-	2
Total		(3,450,484)	(4,838,795)	(2,579,246)	(23,334,057)

21. Events after the reporting date

On 23 September 2022 the Chancellor of the Exchequer announced that the UK corporation tax rate will remain at 19% from 1 April 2023, reversing a previously enacted measure to increase the UK corporation tax rate to 25%. The announcement of the reversal in the tax rate from 1 April 2023 was not enacted or substantively enacted at the balance sheet date and accordingly has no impact on the tax balances at 31 December 2021.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****22. Capital management**

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern.
- To maintain an optimal capital structure in order to reduce the cost of capital.
- To generate sufficient capital to support asset growth.

The Board of Directors is responsible for capital management and has approved minimum control requirements for capital and liquidity risk management.

The Company regards as capital its equity, as shown in the Statement of Financial Position.

Total capital is as follows:

	2021	2020
	£	£
Share capital	1,000	1,000
Retained earnings	366,903,983	291,512,562
Total capital resources	366,904,983	291,513,562

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The business is well funded through its parent company and any significant investments require approval by the Investment Committee.

23. Parent undertaking and ultimate holding company

The Company is a subsidiary undertaking of Barclays Equity Holdings Limited which is the immediate parent company incorporated in the United Kingdom and registered in England. The ultimate controlling party is Barclays PLC.

The largest group in which the results of the Company are consolidated is that headed by Barclays PLC, 1 Churchill Place London E14 5HP. No other Group financial statements include the results of the Company.

The consolidated financial statements of these groups are available to the public and may be obtained from, Barclays Corporate Secretariat, 1 Churchill Place London E14 5HP.