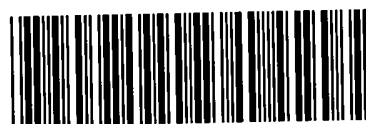


BARCLAYCARD FUNDING PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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REGISTERED NUMBER IN ENGLAND AND WALES: 2530163

Barclaycard Funding PLC
Annual Report and Financial Statements
For the year ended 31 December 2017

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Barclaycard Funding PLC
Directors' Report
For the year ended 31 December 2017

The Directors present their annual report together with the audited financial statements of Barclaycard Funding PLC (the "Company") for the year ended 31 December 2017.

Profit and dividends

During the year the Company made a profit after taxation of £3k (2016: £3k). The Directors do not recommend the payment of any dividends for the Class A and B ordinary shares for the year ended 31 December 2017 (2016: nil).

Future outlook

Based upon the performance of the underlying receivables (as evidenced via the Investor Reports, available from the 'Gracechurch Card Funding' section within 'Investor Relations' on the Barclays Bank PLC website) and the various levels of support offered by the structure of the instruments (as described in note 14, Financial Risks, of the accompanying financial statements), the Directors remain confident that the investor certificates will be repaid in full and therefore that the Company will be able to repay the medium term notes in issue in full, along with their interest, at maturity.

The Directors do not expect there to be any change in the Company's principal activity in the foreseeable future.

Post balance sheet events

On 9 March 2018, the High Court and the Prudential Regulation Authority approved the transfer of Barclays Bank PLC's UK retail and business banking operations, consumer cards, investment advisory and wealth management businesses and supporting operations to Barclays Bank UK PLC. The transfer took place on 1 April 2018 using a legal process called a Ring-Fencing Transfer Scheme under Part VII of the Financial Services and Markets Act 2000. On 1 April 2018 the Company's 37,500 Class A shares held by Barclays Bank PLC was transferred to Barclays Bank UK PLC and from this date the Company is ultimately controlled and gets consolidated into Barclays Bank UK PLC under International Financial Reporting Standards (IFRS). On 28 June 2018, the Company extended the scheduled and legal final maturity dates of series 2015-1. The original scheduled maturity date of the series of 15 November 2018 was extended to 15 November 2023. Accordingly, the legal final maturity dates for the series was extended from 16 November 2020 to 17 November 2025. When the investor certificates and medium term notes terms were extended their interest rates were also amended accordingly.

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:

Intertrust Directors 1 Limited
S Sasson (resigned 22 May 2017)
D Kelly (appointed 22 May 2017)
N Hogan (appointed 22 May 2017 and resigned 12 September 2017)
R Fowden (appointed 13 September 2017)

Going concern

Company law requires the Directors to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. After reviewing the Company's performance projections, the available banking facilities and taking into account the support available from Barclays Bank PLC, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future. The Directors are not aware of any plans to terminate or significantly curtail the activities of the Company. For these reasons, the Directors have adopted the going concern basis in preparing the financial statements. The Directors are satisfied with the financial position of the Company at year end.

Statement of Directors' responsibilities

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 International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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

Barclaycard Funding PLC
Directors' Report
For the year ended 31 December 2017

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 IFRSs as adopted by the EU;
- 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. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial risks management

The Company's activities are exposed to a variety of financial risks. The Company's financial risk management objectives and policies and the exposure to credit risk, liquidity risk and market risk are set out in note 14 to the accompanying financial statements.

Related party transactions

Details of the Company's related party transactions during the year are set out in note 16 to the accompanying financial statements.

Directors third party indemnity provisions

Qualifying third party indemnity provisions were in force during the course of the year ended 31 December 2017 for the benefit of the Directors who have served in office and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties, powers or office.

Independent Auditor

The auditor, KPMG LLP, have expressed their willingness to continue in office until the next annual general meeting. Pursuant to section 489 of the Companies Act 2006, a resolution for their re-appointment will be proposed at the forthcoming annual general meeting of the Company.

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.

ON BEHALF OF THE BOARD



P H Whitaker
For and on behalf of Intertrust Directors 1 Limited
Director
28 June 2018

REGISTERED NUMBER: 2530163

Registered Office

1 Churchill Place
London
E14 5HP

Barclaycard Funding PLC
Strategic Report
For the year ended 31 December 2017

The Directors present the strategic report for Barclaycard Funding PLC (the "Company") for the year ended 31 December 2017.

Principal Activities and Business Review

The Company is a special purpose entity ("SPE") set up by Barclays Bank PLC (the parent undertaking of the smallest group that presents group financial statements, in which the Company is included – note 19), whose primary purpose is to issue series of limited recourse medium term notes as part of the securitisation of credit card receivables. As part of the securitisation structure, Barclays Bank PLC sells a beneficial interest in a pool of credit card receivables to Gracechurch Receivables Trustee Limited (the "Trust", an SPE incorporated in Jersey), which then issues investor certificates (collateralised by the credit card receivables) to the Company. The Company funds the purchase of the investor certificates through the issuance of medium term notes to Gracechurch Card Programme Funding PLC, which itself funds the purchase of the medium term notes through the issuance of asset backed securities (collateralised by the medium term notes) under the Medium Term Note Programme ("MTNP"). The Company is considered to be a subsidiary of Barclays Bank PLC due to the fact that Barclays Bank PLC holds the Company's 'A' Ordinary Shares which gives Barclays Bank PLC 51% of the voting rights.

In 2017 the Company redeemed an investor certificate totalling £0.45 billion split between Series 2012-3 Class A £0.38 billion and Series 2012-3 Class D £0.07 billion notes on the scheduled redemption date of 15 May 2017. A corresponding amount of medium term note liabilities were redeemed on the same dates.

In 2017 the Company extended the scheduled and legal final maturity dates of a number of investor certificates and medium term notes related to series 2013-3 and 2014-2. The original scheduled maturity dates for both series of 15 November 2017 was extended to 15 June 2022. Accordingly the legal final maturity dates for both series were extended from 15 May 2019 to 17 June 2024. When the investor certificates and medium term note terms were extended their interest rates were also amended accordingly.

Certain series of investor certificates are subject to a "Call Date" whereby the instruments may be redeemed prior to the final maturity dates. £7.06 billion of the Company's investment certificates are covered under Series 2013-3, Series 2014-2, Series 2015-1 and Series 2015-2 final terms of the supplemental base prospectus where an optional call date can be exercised between Barclays Bank PLC and the Company. Barclays Bank PLC has the option to make an early payment to the Company in return for which Barclays Bank PLC will receive, at par, the investment certificates issued by the Trust and held by the Company. The Company would then simultaneously settle at par the medium term notes issued.

The "Call Date" option commenced on 20 November 2013 for 2013-3, 11 November 2014 for Series 2014-2 and 20 November 2015 for Series 2015-1 and 2015-2, and expires for Series 2013-3 and 2014-2 on 15 June 2024, Series 2015-1 on 16 November 2020 and for Series 2015-2 on 15 November 2022. This option can be exercised on any given interest payment date (15th of each month), which would likely result in the investor certificates and subsequently the medium term notes being redeemed at par prior to the scheduled redemption date.

As at 31 December 2017, the Company held £7.95 billion of investor certificate assets and issued a corresponding amount of medium term note certificates. The investor certificate assets and medium term note liabilities were purchased and issued, respectively, in several series of offerings. They are expected to be redeemed on the scheduled redemption dates, where the key performance indicators for each series of notes issued meet criteria set out in the offering documentation. Where these criteria are not met, redemption will take place by their final redemption dates. See note 9, Loans and receivables and note 12, Borrowings, of the accompanying financial statements for detail of the different series of offerings.

The Company is entitled to expense and profit retention reimbursements from Barclays Bank PLC as part of its agreed margin. The MTNP stipulates a profit retention requirement of the greater of £1,200 per annum or £600 annually per series issued. The Company has met this retention requirement for 2016 and 2017.

Business Performance and financial position

During the year the Company made a profit and total comprehensive income for the year of £3k (2016: £3k). The total net assets during the year were £248k (2016: £245k) and net operating cash outflows were £78k (2016: £83k). The Directors do not recommend the payment of any dividends for the year ended 31 December 2017 (2016: nil). The Directors consider the financial position of the Company at the year-end to be satisfactory.

Principal risks and uncertainties

The Company's activities expose it to a number of risks. The principal risk is that the Company is unable to meet its obligations should the interest and principal received on the Company's investments not be sufficient to pay the medium term note holders interest and principal and the associated expenses of the Company. This could arise if the cash flows from the revolving credit card receivables and the Trust Principal Funding Account are not

Barclaycard Funding PLC
Strategic Report
For the year ended 31 December 2017

sufficient to settle interest and principal due on the investor certificates.

Information on how the Company's Directors manage these risks and uncertainties is explained in note 14 to the accompanying financial statements.

Key performance indicators (KPI's)

The Company does not use complex KPIs in monitoring the business. The interest income on the investor certificates, the interest costs of the medium term notes and the related operating expenses are the principal components of the Company's operations, which are quantified in the Statement of Comprehensive Income.

Barclays Bank PLC as servicer under the MTNP (and which is represented on the Board of Directors of the company) monitor a number of key performance indicators such as triggers (including performance of the underlying credit card receivables portfolio, related arrears levels, excess spread, portfolio yield, payment rate and charge off rate), the credit ratings of the notes in issue and the credit worthiness of the counterparties relevant to the Company, which give comfort to Directors on the performance of the underlying receivables and hence the anticipated performance of the Company. Further details on key performance indicators can be found in note 14.

ON BEHALF OF THE BOARD



P H Whitaker
For and on behalf of Intertrust Directors 1 Limited
Director
28 June 2018

REGISTERED NUMBER: 2530163

Independent Auditor's report to the members of Barclaycard Funding PLC

Opinion

We have audited the financial statements of Barclaycard Funding PLC ("the Company") for the year ended 31 December 2017 which comprise the Balance Sheet as at 31 December 2017, the Statement of Comprehensive Income, the Statement of Changes in Equity, Cash flow Statement and related notes, including the summary of significant accounting policies and other explanatory information.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; 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 a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

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 or 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 given 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. or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for the preparation of the financial statements. They are also responsible for being satisfied that financial statements 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 does not 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, in individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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.



Zaffarali Khakoo

(Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London E14 5GL

United Kingdom

29 June 2018

Barclaycard Funding PLC
Statement of Comprehensive Income
For the year ended 31 December 2017

	Note	2017 £'000	2016 £'000
Interest income	5	64,940	96,017
Interest expense		(64,878)	(95,914)
Net interest income		62	103
Administrative expenses	6	(58)	(99)
Profit before tax		4	4
Tax	8	(1)	(1)
Profit and total comprehensive income for the year		3	3

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

REGISTERED NUMBER: 2530163

Barclaycard Funding PLC
Balance Sheet
As at 31 December 2017

	Note	2017 £'000	2016 £'000
Assets			
Non-current assets			
Financial assets			
- loans and receivables	9	6,180,911	4,411,765
Total non-current assets		6,180,911	4,411,765
Current assets			
Cash and cash equivalents		246	262
Trade and other receivables	10	3,533	3,266
Financial assets			
- loans and receivables	9	1,764,706	3,980,218
Total current assets		1,768,485	3,983,746
Total assets		7,949,396	8,395,511
Liabilities			
Current liabilities			
Trade and other payables	11	(3,530)	(3,282)
Current tax liabilities	8	(1)	(1)
Financial liabilities			
- short-term borrowings	12	(1,764,706)	(3,980,218)
Total current liabilities		(1,768,237)	(3,983,501)
Net current assets		248	245
Total assets less current liabilities		6,181,159	4,412,010
Non-current liabilities			
Financial liabilities			
- long-term borrowings	12	(6,180,911)	(4,411,765)
Total non-current liabilities		(6,180,911)	(4,411,765)
Net assets		248	245
Equity			
Called up share capital	13	13	13
Retained earnings		235	232
Total equity		248	245

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

The financial statements on pages 8 to 31 were approved by the Board of Directors and authorised for issue on 28 June 2018 and were signed on its behalf by:



P H Whitaker
For and on behalf of Intertrust Directors 1 Limited
Director
28 June 2018

REGISTERED NUMBER: 2530163

Barclaycard Funding PLC
Statement of Changes in Equity
For the year ended 31 December 2017

	Called Up Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2017	13	232	245
Profit and total comprehensive income for the year	-	3	3
Balance at 31 December 2017	13	235	248
Balance at 1 January 2016	13	229	242
Profit and total comprehensive income for the year	-	3	3
Balance at 31 December 2016	13	232	245

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

REGISTERED NUMBER: 2530163

Barclaycard Funding PLC
Cash Flow Statement
For the year ended 31 December 2017

	2017 £'000	2016 £'000
Continuing operations		
Cash flows from operating activities		
Profit before taxation	4	4
Net decrease in trade and other receivables	15	8
Net increase/(decrease) in trade and other payables	(34)	9
Interest income on loans and receivables	(64,940)	(96,017)
Interest payable on borrowings	64,878	95,914
Taxation paid	(1)	(1)
Net cash used in operating activities	(78)	(83)
Cash flows from investing activities		
Redemption of loans and receivables	446,366	-
Interest received on loans and receivables	64,658	101,375
Net cash generated from investing activities	511,024	101,375
Cash flows from financing activities		
Redemption of borrowings	(446,366)	-
Interest paid on borrowings	(64,596)	(101,272)
Net cash used in financing activities	(510,962)	(101,272)
Net increase/(decrease) in cash and cash equivalents	(16)	20
Cash and cash equivalents at beginning of the year	262	242
Cash and cash equivalents at end of the year	246	262
Cash and cash equivalents comprise:		
Cash at bank	246	262
Cash and cash equivalents at end of the year	246	262

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

Non-cash transactions

The Company extended the scheduled and legal maturity dates of the series 2013-3 and 2014-2 investor certificates and medium term notes. The extension was executed free of cashflow and hence is not reflected in the cash flow statement.

REGISTERED NUMBER: 2530163

Barclaycard Funding PLC
Notes to the financial statements
For the year ended 31 December 2017

1. Reporting entity

These financial statements are prepared for Barclaycard Funding PLC (the "Company"), the principal activity of which is to purchase investor certificates representing a beneficial interest in assets held by Gracechurch Receivables Trustee Limited (the "Trust", a Special Purpose Entity incorporated in Jersey) and to issue medium term notes to Gracechurch Card Programme Funding PLC (a company incorporated in the United Kingdom). The Company is a public limited company, domiciled and incorporated in the United Kingdom. The address of the registered office of the Company is 1 Churchill Place, London, E14 5HP, England.

The Company is a SPE established primarily to issue series of limited recourse medium term notes as part of the securitisation of credit card receivables. As part of the securitisation structure, Barclays Bank PLC (the parent undertaking of the smallest group that presents group financial statements, in which the Company is included) sells a beneficial interest in a pool of receivables to the Trust, which then issues investor certificates (collateralised by the credit card receivables) to the Company. The Company funds the purchase of the investor certificates through the issuance of medium term notes to Gracechurch Card Programme Funding PLC, which itself funds the purchase of the medium term notes through the issuance of asset backed securities (collateralised by the medium term notes). The Company is considered to be a subsidiary of Barclays Bank PLC due to the fact that Barclays Bank PLC holds the Company's 'A' Ordinary Shares which gives Barclays Bank PLC 51% of the voting rights.

The Company is entitled to expense and profit retention reimbursements from Barclays Bank PLC as part of its agreed margin. The profit retention requirement of the Company varies for each series of medium term notes issued and is defined in the offering documentation of each series of asset backed notes issued as the 'Series Extra Amount'. The Series Extra Amount is currently defined as being the greater of £1,200 per annum or £600 per Series issued annually multiplied by two the result of which gets divided equally between Gracechurch Card Programme Funding PLC and the Company.

2. Compliance with International Financial Reporting Standards

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations (IFRICs) issued by the Interpretations Committee, as published by the International Accounting Standards Board (IASB). They are also in accordance with IFRS and IFRIC interpretations endorsed by the European Union. The principal accounting policies applied in the preparation of the 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 IAS 39, 'Financial Instruments, recognition, and measurement' as set out in the relevant accounting policies. They are presented in thousands of pounds sterling, £'000, the currency of the country in which the Company is incorporated.

Company law requires the Directors to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. After reviewing detailed profit and cash projections, taking into account the available bank facilities and making such further enquiries as they consider appropriate, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors have adopted the going concern basis in preparing the financial statements.

4. Summary of significant accounting policies

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

(a) Foreign currency translation

The financial statements are presented in pounds sterling, which is the functional currency of the Company.

(b) Interest income and expense

Interest income or expense is recognised on all interest bearing financial assets classified as held to maturity, or other loans and advances, and on financial liabilities, using the effective interest method. The effective interest rate is the rate that exactly discounts the expected future cash receipts or payments through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument.

Barclaycard Funding PLC
Notes to the financial statements
For the year ended 31 December 2017

4. Summary of significant accounting policies (continued)

(b) Interest income and expense (continued)

The application of the method has the effect of recognising income or expense on the instrument in proportion to the amount outstanding such that the yield earned or incurred is constant over the period to maturity or repayment.

(c) Current income tax

Income tax payable on taxable profits ('current tax') is recognised as an expense in the year in which the profits arise. The Company has elected to be taxed under The Taxation of Securitisation Companies Regulations 2006 (the "permanent tax") under which the Company is taxed by reference to the amount of profit retained by the Company, as set out in the transaction documentation.

(d) Gain on medium term note and loss on investor certificate term extensions

The gain on medium term note term extension represent the fair valuation movement on the remeasurement of the medium term note due to an extension of the term. The loss on the investor certificate represents the fair valuation movement on the remeasurement of the investor certificate due to the extension of the term. The gain and he loss is amortised through interest income and expense using the effective interest rate method.

(e) Financial assets and liabilities

The Company recognises financial instruments from the contract date, and continues to recognise assets until the rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership. In the case of liabilities, the Company will continue to recognise them until the liability has been settled, extinguished or has expired. Financial assets and liabilities are initially recognised at fair value and then measured and classified in the financial statements as follows:

Loans and receivables

Loans and receivables (investor certificates) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The loans and receivables are categorised as non-current if the scheduled redemptions are greater than 12 months from the date of the balance sheet. They are initially recognised at fair value including direct and incremental transaction costs and are subsequently measured at amortised cost, using the effective interest method. They are derecognised when the rights to receive cash flows have expired, or the Company has transferred substantially all the risks and rewards of ownership, or where the Company has not transferred nor retained substantially all the risks and rewards of ownership and where it has lost control.

Loans and receivables represent the Company's indirect beneficial interest in pools of credit card receivables. The beneficial interests in pools of credit card receivables result from the investor certificates that are collateralised by the pools of credit card receivables. The investor certificates entitle the Company to payments of interest and principal payable from collections on the underlying receivables.

Financial liabilities

Borrowings are initially recognised at fair value less transaction costs and are subsequently valued at amortised cost, using the effective interest method. Borrowings represent medium term note obligations ultimately collateralised by the underlying credit card receivables.

Derecognition

The Company derecognises a financial asset, or a portion of a financial asset, from its balance sheet where the contractual rights to the cashflows from the asset have expired, or have been transferred, usually by sale, and with them either substantially all the risks and rewards of the asset or significant risks and rewards, along with the unconditional ability to sell or pledge the asset.

Financial liabilities are de-recognised when the liability has been settled, has expired or has been extinguished. An exchange of an existing financial liability for a new liability with the same lender on substantially different terms – generally a difference of 10% of the present value of the cash flows or a substantive qualitative amendment – is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Barclaycard Funding PLC
Notes to the financial statements
For the year ended 31 December 2017

4. Summary of significant accounting policies (continued)

(e) Financial assets and liabilities (continued)

Determining fair value

Fair value of financial assets and liabilities for disclosure purposes (see note 15, Fair Value of Financial Instruments) was determined by reference to the quoted bid value in an active market wherever possible. Where no such active market exists for the particular instrument, the Company uses a valuation technique to arrive at the fair value, including the use of prices of similar instruments obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Impairment of financial assets

At each balance sheet date, the Company assesses whether there is objective evidence that a financial asset is impaired. The factors that the Company takes into account include significant financial difficulties of the debtor or the issuer, a breach of contract or default in payments, the granting by the Company of a concession to the debtor because of a deterioration in its financial condition, the probability that the debtor will enter into bankruptcy or other financial reorganisation, or the disappearance of an active market for a security because of the issuer's financial difficulties.

The ability of the Company's borrower to repay the loans and receivables (investor certificates) is dependent primarily on the performance of underlying credit card receivables. In making an assessment on whether or not the investor certificates are impaired, the Company also considers the performance of the underlying credit card receivables, including their arrears levels.

The Company regularly reviews and evaluates forecasted payment rates and yield indicators, including excess spread (as illustrated in note 14), on the underlying revolving securitised credit card receivables. The Company also performs procedures to satisfy itself that the servicer has adequate controls in place to fairly report the performance of the underlying credit card receivables, including their arrears levels.

The Company also considers observable data when determining if there is a measurable decrease in the estimated future cash flows from a portfolio of assets since the initial recognition of those assets. These decreases cannot yet be directly linked to specific assets in the portfolio and might arise from adverse changes in the payment status of borrowers, or national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. Any impairment loss is recognized using an allowance account in the Statement of Comprehensive Income.

(f) Embedded derivatives

Some hybrid contracts contain both a derivative and a non-derivative component. In such cases, the derivative component is termed an embedded derivative. Where the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contract, and the host contract itself is not carried at fair value, the embedded derivative is bifurcated and reported at fair value with gains and losses being recognised in the income statement. Profits or losses cannot be recognised on the bifurcation of an embedded derivative.

The final terms of the supplemental base prospectus in respect of Series 2013-3, 2014-2, 2015-1 and 2015-2 have the option of an "Call date" to allow the Company to sell its investor certificates with Gracechurch Receivables Trustee Limited on any given Interest Payment Date prior to redemption and upon giving not more than 60 nor less than 30 days' prior written notice to the Note Trustee and the Noteholders. Under the final terms of these agreements Barclays Bank PLC has the option to require early settlement of the investor certificates at par value. Upon exercise of this "Call Date" and settlement of the investor certificates, the Company would settle, at par, the medium term notes liabilities issued by the Company. This optional "Call date" is considered to be an embedded derivative; however, as this option is part of the final terms of the agreement and requires settlement at par value it is closely related to the host contract and is not bifurcated separately from the investor certificates.

(g) Cash and cash equivalents

For the purposes of the cash flow statement and the balance sheet, cash comprises of cash at bank.

Barclaycard Funding PLC
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4. Summary of significant accounting policies (continued)

(h) Segment reporting

The operations of the Company comprise issuing medium term notes in the United Kingdom and acquiring investor certificates originated in the United Kingdom. Consequently, the Directors consider the Company to have only one business and geographical segment.

(i) Share capital and dividends

Share issue costs

Incremental costs directly attributable to the issue of new shares or options or the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

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 shareholder.

(j) Future accounting developments

There are expected to be a number of significant changes to the Company's financial reporting after 2017 as a result of amended or new accounting standards that have been or will be issued by the IASB. The most significant of these are as follows:

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments (IFRS 9) which will replace IAS 39 Financial Instruments: Recognition and Measurement is effective for periods beginning on or after 1 January 2018 and was endorsed by the EU in November 2016. IFRS 9, in particular the impairment requirements, will lead to significant changes in the accounting for financial instruments. The Company will not restate comparatives on initial application of IFRS 9 on 1 January 2018 but will provide detailed transitional disclosures in accordance with the amended requirements of IFRS 7. The key changes relate to:

Impairment:

IFRS 9 introduces a revised impairment model which requires entities to recognise expected credit losses based on unbiased forward-looking information. This replaces the IAS 39 incurred loss model which only recognised impairment if there is objective evidence that a loss has already been incurred and would measure the loss at the most probable outcome. The IFRS 9 impairment model is applicable to all financial assets at amortised cost. Intercompany exposures are also in scope under IFRS 9.

The measurement of expected credit loss involves increased complexity and judgement, including estimation of probabilities of default, loss given default, a range of unbiased future economic scenarios, estimation of expected lives, and estimation of exposures at default and assessing significant increases in credit risk.

Key concepts and management judgements

The impairment requirements are complex and require management judgements, estimates and assumptions. Key concepts and management judgements include:

Determining a significant increase in credit risk since initial recognition

IFRS 9 requires the recognition of 12 month expected credit losses (the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date) if credit risk has not significantly increased since initial recognition (stage 1), and lifetime expected credit losses for financial instruments for which the credit risk has increased significantly since initial recognition (stage 2) or which are credit impaired (stage 3). The Company will assess when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to stage 2 when:

Quantitative Test

The annualised cumulative weighted average lifetime probability of default (PD) has increased by more than the agreed threshold relative to the equivalent at origination.

Exposures will move back to stage 1 once they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

Barclaycard Funding PLC
Notes to the financial statements
For the year ended 31 December 2017

4. Summary of significant accounting policies (continued)

(j) Future accounting developments (continued)

Barclays will not rely on the low credit risk exemption which would assume facilities of investment grade are not significantly deteriorated.

Determining the probability of default at initial recognition is expected to require management estimates, in particular for exposures issued before the effective date of IFRS 9.

Classification and measurement

IFRS 9 requires financial assets to be classified on the basis of two criteria:

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

Financial assets will be 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.

Financial assets will be 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 will be measured at fair value through profit and loss 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 and the Company has applied the fair value option to eliminate an accounting mismatch.

Barclays PLC Classification and Measurement implementation programme has progressed in 2017 and an assessment of potential changes to financial assets has been conducted, including an assessment of business models across various portfolios, and a review of contractual cash flow features for material financial assets.

Expected impact

Barclays PLC Classification and Measurement implementation programme is currently determining the most appropriate classification and measurement of the various financial assets and liabilities of the Company. At this stage it is not possible to provide an analysis of the potential impact to the financial statements of the new standard.

IFRS 15 – Revenue from Contracts with Customers, IFRS 16 – Leases, IFRS 17 – Insurance contracts, amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions and IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

In 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers which will replace IAS 18 Revenue and IAS 11 Construction Contracts. In January 2016, the IASB issued IFRS 16 Leases, which will replace IAS 17 Leases. In May 2017, the IASB issued IFRS 17 Insurance Contracts IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. The IASB has also issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. IFRIC 23 clarifies the application of IAS 12 to accounting for income tax treatments that have yet to be accepted by tax authorities, in scenarios where it may be unclear how tax law applies to a particular transaction or circumstance, or whether a taxation authority will accept an entity's tax treatment. The changes in these standards will not impact the Company.

(k) Critical accounting estimates and judgements

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

Barclaycard Funding PLC
Notes to the financial statements
For the year ended 31 December 2017

4. Summary of significant accounting policies (continued)

(k) Critical accounting estimates and judgements (continued)

Management makes use of an independent valuation from a third party unaffiliated to the Barclays Group for the purposes of providing management the fair value disclosed in Note 15 of the financial statements. Further details on the methodology used for fair valuation has been disclosed in Note 15(a).

Certain Series' of investor certificates (Note 9 – Loans and receivables) and medium-term notes (Note 12 – Borrowings) were modified and management had to make a determination on whether such modification was substantial or not. In order to determine whether modification was substantial, management performed a quantitative and qualitative analysis. Following the analysis management concluded that the modification did not represent a substantial modification and that continuation accounting was appropriate.

5. Interest income

Interest income has been analysed as follows:

	2017 £'000	2016 £'000
Interest income on loans and receivables	64,878	95,914
Interest income from related party for profit retention and expense recovery	62	103
Total interest income	64,940	96,017

6. Administrative expenses

Administrative expenses have been analysed as follows:

	2017 £'000	2016 £'000
Auditor's remuneration - audit of the Company's annual financial statements only	-	31
Trustee fees	51	51
Other	7	17
Total administrative expenses	58	99

The Auditor's remuneration has been borne by Barclays Bank PLC for 2017 and totalled £64k.

7. Employees and key management, including Directors

(i) Employees

There were no persons employed by the Company during the year (2016: nil).

(ii) Directors' remuneration:

None of the Directors were directly remunerated by the Company in respect of their services to the Company during the year. However, a fee was paid to Intertrust Management Limited in relation to the services provided by Intertrust Directors 1 Limited. In relation to the other Directors, their service to this Company was performed as part of their employment by Barclays Bank PLC in its role as controlling party and no remuneration was earned for qualifying services to the Company. Barclays Bank PLC has not recharged this Company for the cost of this service (see note 16).

Barclaycard Funding PLC
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8. Tax

Income tax charge

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

	2017 £'000	2016 £'000
Current tax charge:		
Current year	(1)	(1)
Adjustment for prior years	-	-
Overall tax charge in the Statement of Comprehensive Income	(1)	(1)

During the year the tax rate is 19.25% (2016: 20%). The main rate of UK corporation tax is 20% from 1 April 2015 to 31 March 2017. Legislation has been introduced to reduce the main rate of UK corporation tax to 19% from 1 April 2017 and 17% from 1 April 2020.

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

	2017 £'000	2016 £'000
Profit before tax	4	4
Tax charge at average UK corporation tax rate of 19.25% (2016: 20%)	(1)	(1)
Effects of:		
Adjustments for prior years	-	-
Overall tax charge	(1)	(1)
Effective tax rate	19.25%	20%

Current tax liabilities

The current tax liabilities were as follows:

	2017 £'000	2016 £'000
UK corporation tax payable	1	1

9. Loans and receivables

Loans and receivables consist of investor certificates and comprise the following:

Series and date of investment certificates	Scheduled redemption date	Final redemption date	2017 £'000	2016 £'000	Interest Rate Receivable
Class A (Series 2012-3) 24 May 2012	15 May 2017	15 May 2019	-	379,411	1 month sterling LIBOR plus 0.901%
Class D (Series 2012-3) 24 May 2012	15 May 2017	15 May 2019	-	66,955	1 month sterling LIBOR plus 1.35%
Class A (Series 2013-3) 20 Nov 2013	15 Nov 2017	15 Nov 2019	-	1,400,000	1 month sterling LIBOR plus 0.75%
Class D (Series 2013-3) 20 Nov 2013	15 Nov 2017	15 Nov 2019	-	247,059	1 month sterling LIBOR plus 1.0%
Class A (Series 2014-2) 11 Nov 2014	15 Nov 2017	15 Nov 2019	-	1,600,000	1 month sterling LIBOR plus 0.42%
Class D (Series 2014-2) 11 Nov 2014	15 Nov 2017	15 Nov 2019	-	286,793	1 month sterling LIBOR plus 0.0%
Class A (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	1,500,000	-	1 month sterling LIBOR plus 0.62%

Barclaycard Funding PLC
Notes to the financial statements
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9. Loans and receivables (continued)

Series and date of investment certificates	Scheduled redemption date	Final redemption date	2017 £'000	2016 £'000	Interest Rate Receivable
Class D (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	264,706	-	1 month sterling LIBOR plus 0.0%
Loans and receivables – current			1,764,706	3,980,218	
Class A (Series 2013-3) 20 Nov 2013	15 Jun 2022	17 Jun 2024	1,400,000	-	1 month sterling LIBOR plus 0.43%
Class D (Series 2013-3) 20 Nov 2013	15 Jun 2022	17 Jun 2024	247,059	-	1 month sterling LIBOR plus 0.0%
Class A (Series 2014-2) 11 Nov 2014	15 Jun 2022	17 Jun 2024	1,600,000	-	1 month sterling LIBOR plus 0.43%
Class D (Series 2014-2) 11 Nov 2014	15 Jun 2022	17 Jun 2024	286,793	-	1 month sterling LIBOR plus 0.0%
Class A (Series 2014-1) 23 Jul 2014	15 Jul 2019	15 Jul 2021	750,000	750,000	1 month sterling LIBOR plus 0.50%
Class D (Series 2014-1) 23 Jul 2014	15 Jul 2019	15 Jul 2021	132,353	132,353	1 month sterling LIBOR plus 0.0%
Class A (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	-	1,500,000	1 month sterling LIBOR plus 0.62%
Class D (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	-	264,706	1 month sterling LIBOR plus 0.0%
Class A (Series 2015-2) 20 Nov 2015	16 Nov 2020	15 Nov 2022	1,500,000	1,500,000	1 month sterling LIBOR plus 0.72%
Class D (Series 2015-2) 20 Nov 2015	16 Nov 2020	15 Nov 2022	264,706	264,706	1 month sterling LIBOR plus 0.0%
Loans and receivables - non-current			6,180,911	4,411,765	
Total			7,945,617	8,391,983	

The Class D certificates are subordinate to the Class A, A1 and A2 (when A1 and A2 notes are issued) notes. The Class A, A1 and A2 certificates rank pari passu to one another. The investor certificates are expected to be redeemed on the scheduled redemption dates where the key performance indicators meet criteria set out in the offering circulars for each series of notes issued. Where these criteria are not met, redemption is expected to take place by their final redemption dates. The redemption dates assume the call option (explained below) has not been exercised before the scheduled redemption date.

In 2017 the Company extended the scheduled and legal final maturity dates of a number of investor certificates related to series 2013-3 and 2014-2. The original scheduled maturity dates for both series of 15 November 2017 was extended to 15 June 2022. Accordingly the legal final maturity dates for both series were extended from 15 May 2019 to 17 June 2024. When the investor certificates terms were extended their interest rates were also amended accordingly. In order to determine whether modification was substantial, management performed a quantitative and qualitative analysis. Following the analysis management concluded that the modification did not represent a substantial modification and that continuation accounting was appropriate.

Certain series of investor certificates are subject to a "Call Date" whereby the instruments may be redeemed prior to the final maturity dates. £7.06 billion of the Company's investor certificates are covered under the series 2013-3, 2014-2, 2015-1 and 2015-2 final terms where an optional call date can be exercised between Barclays Bank PLC and the Company. Barclays Bank PLC has the option to make an early payment to the Company in return for which Barclays Bank PLC will receive, at par, the investment certificates issued by the Trust and held by the Company. The Company would then simultaneously settle, at par, the medium term notes issued (see note 12).

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Notes to the financial statements
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9. Loans and receivables (continued)

The "Call Date" option commenced on 20 November 2013 for Series 2013-3, 11 November 2014 for Series 2014-2 and 20 November 2015 for Series 2015-1 and 2015-2, and expires for Series 2013-3 and 2014-2 on 15 June 2024, Series 2015-1 on 16 November 2020 and for Series 2015-2 on 15 November 2022. This option can be exercised on any given interest payment date (15th of each month), which could result in the investor certificates and subsequently the medium term notes being redeemed at par prior to the scheduled redemption date. See note 14 for information related to financial risks.

10. Trade and other receivables

	2017 £'000	2016 £'000
Interest receivable on loans and receivables	3,529	3,247
Amount receivable from related party undertaking	-	19
Prepayments	4	-
Total	3,533	3,266

11. Trade and other payables

	2017 £'000	2016 £'000
Interest payable on borrowings	3,529	3,247
Amount payable to related party undertaking	1	-
Accruals	-	35
Total	3,530	3,282

12. Borrowings

Borrowings consist solely of medium term notes and are made up as follows:

Series and date of notes	Scheduled redemption date	Final redemption date	2017 £'000	2016 £'000	Interest Rate Payable
Class A (Series 2012-3) 24 May 2012	15 May 2017	15 May 2019	-	379,411	1 month sterling LIBOR plus 0.901%
Class D (Series 2012-3) 24 May 2012	15 May 2017	15 May 2019	-	66,955	1 month sterling LIBOR plus 1.35%
Class A (Series 2013-3) 20 Nov 2013	15 Nov 2017	15 Nov 2019	-	1,400,000	1 month sterling LIBOR plus 0.75%
Class D (Series 2013-3) 20 Nov 2013	15 Nov 2017	15 Nov 2019	-	247,059	1 month sterling LIBOR plus 1.0%
Class A (Series 2014-2) 11 Nov 2014	15 Nov 2017	15 Nov 2019	-	1,600,000	1 month sterling LIBOR plus 0.42%
Class D (Series 2014-2) 11 Nov 2014	15 Nov 2017	15 Nov 2019	-	286,793	1 month sterling LIBOR plus 0.0%
Class A (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	1,500,000	-	1 month sterling LIBOR plus 0.62%
Class D (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	264,706	-	1 month sterling LIBOR plus 0.0%
Borrowings – current			1,764,706	3,980,218	

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12. Borrowings (continued)

Series and date of notes	Scheduled redemption date	Final redemption date	2017 £'000	2016 £'000	Interest Rate Payable
Class A (Series 2013-3) 20 Nov 2013	15 Jun 2022	15 Jun 2024	1,400,000	-	1 month sterling LIBOR plus 0.43%
Class D (Series 2013-3) 20 Nov 2013	15 Jun 2022	15 Jun 2024	247,059	-	1 month sterling LIBOR plus 0.0%
Class A (Series 2014-2) 11 Nov 2014	15 Jun 2022	15 Jun 2024	1,600,000	-	1 month sterling LIBOR plus 0.43%
Class D (Series 2014-2) 11 Nov 2014	15 Jun 2022	15 Jun 2024	286,793	-	1 month sterling LIBOR plus 0.0%
Class A (Series 2014-1) 23 Jul 2014	15 Jul 2019	15 Jul 2021	750,000	750,000	1 month sterling LIBOR plus 0.50%
Class D (Series 2014-1) 23 Jul 2014	15 Jul 2019	15 Jul 2021	132,353	132,353	1 month sterling LIBOR plus 0.0%
Class A (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	-	1,500,000	1 month sterling LIBOR plus 0.62%
Class D (Series 2015-1) 20 Nov 2015	15 Nov 2018	16 Nov 2020	-	264,706	1 month sterling LIBOR plus 0.0%
Class A (Series 2015-2) 20 Nov 2015	16 Nov 2020	15 Nov 2022	1,500,000	1,500,000	1 month sterling LIBOR plus 0.72%
Class D (Series 2015-2) 20 Nov 2015	16 Nov 2020	15 Nov 2022	264,706	264,706	1 month sterling LIBOR plus 0.0%
Borrowings – non-current			6,180,911	4,411,765	
Total			7,945,617	8,391,983	

The borrowings (medium term note obligations) are collateralised by investor certificates issued by the Trust. The investor certificates are then collateralised by underlying credit card receivables. The Class D notes are subordinate to the Class A notes (Class A, A1, A2 (when A1 and A2 notes are issued) rank *pari passu* to each other). Please refer to note 1 for further details of the securitisation structure.

The medium term notes are expected to be redeemed on the scheduled redemption dates where the key performance indicators meet criteria set out in the offering circulars for each series of notes issued. Where these criteria are not met, redemption is expected to take place by the final redemption date. The redemption dates assume the call option (see note 9) has not been exercised before the scheduled redemption date.

If the "Call Date" in accordance with the final terms agreement of certain investor certificates are exercised resulting in the redemption of investor certificates at par prior to the scheduled redemption date, the Company would then simultaneously settle, at par, the medium term notes issued (See note 9 for the call option description).

In 2017 the Company extended the scheduled and legal final maturity dates of a number of medium term notes related to series 2013-3 and 2014-2. The original scheduled maturity dates for both series of 15 November 2017 was extended to 15 June 2022. Accordingly the legal final maturity dates for both series were extended from 15 May 2019 to 17 June 2024. When the medium term notes terms were extended their interest rates were also amended accordingly. In order to determine whether modification was substantial, management performed a quantitative and qualitative analysis. Following the analysis management concluded that the modification did not represent a substantial modification and that continuation accounting was appropriate.

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13. Called up share capital

	2017 £	2016 £
Authorised:		
37,500 (2016: 37,500) A ordinary shares of £1 each	37,500	37,500
12,500 (2016: 12,500) B ordinary shares of £1 each	12,500	12,500
	50,000	50,000
Issued:		
2 (2016: 2) A ordinary shares of £1 each allotted, called up and fully paid	2	2
37,498 (2016: 37,498) A ordinary shares of £1 each allotted, issued and quarter paid	9,375	9,375
12,500 (2016: 12,500) B ordinary shares of £1 each allotted, issued and quarter paid	3,125	3,125
At 31 December	12,502	12,502

The holders of the A ordinary shares are entitled to exercise 51% of the total votes, to receive, in aggregate, 49% of any dividend declared and to receive 49% of the assets available for distribution on the winding up of the Company. The holders of the A ordinary shares may also appoint up to two Directors of the Company. The holders of the B ordinary shares are entitled to exercise 49% of the total votes, to receive, in aggregate, 51% of any dividend declared and to receive 51% of the assets available for distribution on the winding up of the Company. The holders of the B ordinary shares may also appoint one Director of the Company.

14. Financial risks

The Company's activities expose it to a variety of financial risks. These are primarily credit risk, liquidity risk and market risk (which includes interest rate risk). The Company's Directors follow the risk management policies of Barclays Bank PLC because the Company is controlled, under IFRS, by Barclays Bank PLC and is consolidated into the financial statements of Barclays Bank PLC and they consider these policies to be the most appropriate ones for the Company. These policies include specific guidelines on the management of interest rate and credit risks and advise on the use of financial instruments to manage them. The Board of Directors monitors the Company's financial risks and has responsibility for ensuring effective risk management and control.

The Company's financial instruments comprise of loans and receivables (interests in investor certificates), borrowings (medium term notes), cash, trade receivables and trade payables that arise directly from its operations. It is, and has been throughout the year, the Company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Company's financial instruments are interest rate risk and credit risk. The Board reviews and agrees policies for managing these risks as summarised below.

(A) Credit risk

Credit risk is the risk of financial loss, should any of the Company's customers or market counterparties fail to fulfill their contractual obligations to the Company. The Company assesses all counterparties for credit risk before contracting with them. The Company's investor certificates are issued by the Trust and represent a beneficial interest in a portfolio of underlying credit card receivables. They entitle the Company to payments of interest and principal from collections on the underlying receivables. Therefore, the Company's credit risk is that the performance of the underlying credit card receivables is not sufficient to enable the Trust to pay the interest and principal on the investor certificates, which in turn would mean that the Company may not be able to meet its debts as they fall due. Any funds placed on deposit with the Trust are also subject to the risk of the deposit taking institution becoming insolvent. This risk is managed by the Trust through novating the deposit accounts to a new deposit taking institution with acceptable external ratings when necessary.

Maximum exposure to credit risk

The Company's maximum exposure to credit risk is reflected by the amounts disclosed in the balance sheet. The following table shows the maximum exposure to credit risk at 31 December:

	2017 £'000	2016 £'000
Cash and cash equivalents	246	262
Trade and other receivables	3,533	3,266
Financial assets		
- loans and receivables	7,945,617	8,391,983
Total maximum exposure at 31 December	7,949,396	8,395,511

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Notes to the financial statements
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14. Financial risks (continued)

(A) Credit risk (continued)

The Company's loans and receivables comprise investor certificates, which are ultimately collateralised by an underlying portfolio of credit card receivables. Its borrowings, comprising the medium term notes, are collateralised by the investor certificates.

Financial assets subject to credit risk

For the purposes of the Company's disclosures regarding credit quality, financial assets subject to credit risk relate to investor certificates issued by the Trust, (which in turn are dependent on credit card receivables underlying the investor certificates), trade and other receivables, and cash at bank. Collections received on the continuously revolving credit card receivables are used to settle principal and interest due on the investor certificates. Further disclosure on credit quality of the underlying credit card receivables attributable to the Company's investor certificates have been presented further along in this note.

For the purposes of the Company's disclosures regarding credit quality, financial assets against which the Company is subject to credit risk have been analysed as follows:

	Cash and cash equivalents £'000	Trade and other receivables £'000	Loans and receivables £'000	Total £'000
2017				
Neither past due nor individually impaired	246	3,533	7,945,617	7,949,396
Past due but not individually impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	246	3,533	7,945,617	7,949,396
Impairment allowance	-	-	-	-
Total carrying amount	246	3,533	7,945,617	7,949,396
2016				
Neither past due nor individually impaired	262	3,266	8,391,983	8,395,511
Past due but not individually impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	262	3,266	8,391,983	8,395,511
Impairment allowance	-	-	-	-
Total carrying amount	262	3,266	8,391,983	8,395,511

The loans and receivables (investor certificates) payment status in the table above has been classified according to the terms of the investment certificates rather than the underlying credit card receivables payment status. The payment status of the underlying credit card receivables is presented below.

Financial assets subject to credit risk neither past due nor individually impaired

Financial assets subject to credit risk that are neither past due nor individually impaired are analysed according to the rating systems used by Barclays Bank PLC when assessing customers and counterparties. The credit quality of financial assets subject to credit risk that were neither past due nor impaired, based on credit rating, was as follows:

	Strong £'000	Satisfactory £'000	Higher risk £'000	Not-Rated £'000	Total £'000
2017					
Cash and cash equivalents	246	-	-	-	246
Trade and other receivables	3,533	-	-	-	3,533
Loans and receivables (investor certificates)	6,750,000	-	-	1,195,617	7,945,617
Total	6,753,779	-	-	1,195,617	7,949,396

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14. Financial risks (continued)

(A) Credit risk (continued)

	Strong £'000	Satisfactory £'000	Higher risk £'000	Not-rated £'000	Total £'000
2016					
Cash and cash equivalents	262	-	-	-	262
Trade and other receivables	3,266	-	-	-	3,266
Loans and receivables (investor certificates)	7,129,411	-	-	1,262,572	8,391,983
Total	7,132,939	-	-	1,262,572	8,395,511

A strong rating indicates that there is a very high likelihood of the asset being recovered in full. Cash and cash equivalents have been classified as strong since it is on deposit with a third party that is an investment grade rated entity. Trade and other receivables are classified as strong as the amounts are due from related parties that are investment grade rated entities. Loans and receivables are classified according to corresponding asset backed note rating. Investor certificates rated as strong include all Class A series notes that are rated as AAA by external credit rating agencies. A satisfactory rating indicates the assets have a high likelihood of being recovered in full and therefore there is no cause for concern to the Company. A higher risk rating would indicate that there is concern over the obligor's ability to make payments when due. Investor Certificates rated as not-rated include all unrated series notes (all Class D notes).

Disclosure of credit quality of underlying credit card receivables and Trust Principal Funding Account

The underlying credit card receivables forming the Trust's total securitisation pool amounted to £15.1 billion (2016: £14.9 billion) at 31 December 2017. Of the £15.1 billion (2016: £14.9 billion), the gross balance of underlying credit card receivables and Trust Principal Funding Account supporting the Company's investor certificates was approximately £7.9 billion (2016: £8.4 billion) at 31 December 2017 (see below for further detail on assets supporting the investor certificates). Each series of the Company's investor certificates rank pari passu with similar credit rated series of the other investor certificates issued by the Trust and the seller's (Barclays Bank PLC) interest. The seller's interest is represented by the remaining £7.2 billion (2016: £6.5 billion) of underlying credit card receivables of the Trust.

The credit risk of the investor certificates is ultimately related to the credit risk of the underlying credit card receivables. The credit risk of the investor certificates is related to the ability to accumulate the required principal collections on the underlying credit card receivables in the Trust Principal Funding Account and on the ability of the investor certificates to generate sufficient Excess Spread. Excess Spread represents the surplus of cash flow from interest, fee, and interchange and recovery collections on the underlying receivables after deducting the financing costs paid to investors of the beneficial interest in the receivables (i.e., interest on the medium term notes), charge-off losses, contractual servicing fees, and other expenses. Cash yield collections in excess of the financing costs are utilised to replenish charged-off credit card receivable balances relating to the investor certificates from the seller's interest of the underlying credit card receivables of the Trust.

Principal collections are accumulated in the Trust Principal Funding Account 12-months in advance of an upcoming scheduled redemption date unless BBPLC shortens this period in line with the MTNP transaction documents. In this regard, a monthly assessment is conducted on the investor certificates related to all series to determine the appropriate accumulation period length. As of 31 December 2017, no accumulation period has commenced on any of investor certificates issued. During an accumulation period, the Trust is required to allocate and accumulate principal collections received on the revolving credit card receivables in a trust account called the Trust Principal Funding Account. The funds accumulated in the trust account will be used to redeem the investor certificates held by the Company, which in turn would be used to redeem the medium term notes issued. As the principal collections in the account accumulate month on month, it reduces the credit risk of the investor certificates.

Settlement of each series of investor certificates prior to the scheduled redemption date is triggered by a drop in the three month average excess spread of that series below 0%. No such triggering event has occurred as at 31 December 2017. In such an event, however, the accumulated principal collections in the Trust Principal Funding Account would be used as the first source to settle the investor certificates on a rapid amortisation basis. A credit enhancement is provided by using the Class D notes held by Barclays Bank PLC (issued in all Series) which bears the first loss of up to £1.2 billion. Any remaining losses will be borne by the Class A, A1 and A2 notes of all Series.

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14. Financial risks (continued)

(A) Credit risk (continued)

The table below sets out key performance indicators (unaudited) relating to performance of the underlying receivables:

2017 Average	Series 2012-3	Series 2013-3	Series 2014-1	Series 2014-2	Series 2015-1	Series 2015-2
Yield	10.65%	14.59%	14.59%	14.59%	14.59%	14.59%
Finance expense	1.76%	1.59%	1.48%	1.42%	1.58%	1.67%
Charge-offs	2.96%	4.37%	4.37%	4.37%	4.37%	4.37%
Excess spread	5.93%	8.63%	8.74%	8.80%	8.64%	8.55%

2016 Average	Series 2012-3	Series 2013-2	Series 2013-3	Series 2014-1	Series 2014-2	Series 2015-1	Series 2015-2
Yield	14.73%	14.51%	14.73%	14.73%	14.73%	14.73%	14.73%
Finance expense	2.15%	1.95%	1.96%	1.60%	1.53%	1.70%	1.78%
Charge-offs	3.92%	3.64%	3.92%	3.92%	3.92%	3.92%	3.92%
Excess spread	8.66%	8.92%	8.85%	9.21%	9.28%	9.11%	9.03%

In assessing the default risk on the loans and receivables (investor certificates), the Company regularly reviews and evaluates payment rates and yield indicators, including excess spread, on the underlying revolving securitised credit card receivables.

The Company also assesses the external credit ratings of Barclays Bank PLC as Originator and Servicer of the underlying credit card receivables. Should the external credit ratings of Barclays Bank PLC drop below investment grade, cash flows on the underlying credit card receivables will be redirected to the Trust directly to mitigate any credit risk to the key performance indicators above.

The Directors considered the revolving nature of the underlying card receivables, the sellers interest, the processes used during the Controlled Accumulation Period and the current excess spread levels generated by the Company's share of the underlying credit card receivables and determined that it expects to collect all of the contractual principal and interest cash flows due on the investor certificates and hence concluded that they are not impaired.

The tables below represent a £7.9 billion bifurcation (as the notes are limited in recourse) of the £15.1 billion of the underlying credit card receivables supporting the investor certificates. The Directors have assessed the key performance indicators and other qualitative factors and concluded that there is no impairment given that there is substantial excess spread and seller's interest to absorb current impairment against the underlying credit card receivables. The bifurcation is presented below:

2017	Note	Credit card receivables £'000	Trust Principal Funding Account £'000	Total £'000
Neither past due nor impaired	(i)	7,652,533	-	7,652,533
Past due but not individually impaired	(ii)	259,962	-	259,962
Individually impaired assets	(iii)	33,122	-	33,122
Total		7,945,617	-	7,945,617

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Notes to the financial statements
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14. Financial risks (continued)

(A) Credit risk (continued)

2016	Note	Credit card receivables £'000	Trust Principal Funding Account £'000	Total £'000
Neither past due nor impaired	(i)	8,077,152	-	8,077,152
Past due but not individually impaired	(ii)	264,051	-	264,051
Individually impaired assets	(iii)	50,780	-	50,780
Total		8,391,983	-	8,391,983

(i) Credit card receivables and Trust Principal Funding Account balance subject to credit risk neither past due nor individually impaired

	Strong £'000	Satisfactory £'000	High risk £'000	Total £'000
2017				
Underlying credit card receivables	-	7,652,533	-	7,652,533
Trust Principal Funding Account	-	-	-	-
Total	-	7,652,533	-	7,652,533
2016				
Underlying credit card receivables	-	8,077,152	-	8,077,152
Trust Principal Funding Account	-	-	-	-
Total	-	8,077,152	-	8,077,152

(ii) Credit card receivables subject to credit risk past due but not individually impaired

An aged analysis of underlying credit card receivables that are past due but not individually impaired is set out below.

	Past due up to 1 month £'000	Past due 1-2 months £'000	Past due 2-3 months £'000	Past due 3-6 months £'000	Past due 6 months and over £'000	Total £'000
2017	114,934	44,432	33,765	65,581	1,250	259,962
2016	112,315	46,798	34,043	70,606	289	264,051

Any impairment allowance on these underlying credit card receivables would have been assessed collectively.

(iii) Individually impaired credit card receivables

Individually impaired underlying credit card receivables are comprised of repayment plan book receivables and were as follows:

	Original carrying amount £'000	Impairment allowance £'000	Revised carrying amount £'000
2017	33,122	-	33,122
2016	50,780	-	50,780

Any impairment allowance on these credit card receivables would have been assessed individually.

(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. In addition to considering performance of the underlying credit card receivables and the Trust Principal Funding Account and the ability of the Trust to pay interest/principal as due on the investor certificates, cash flow measurements and projections for the next day, week and month are also reviewed, as these are key periods for liquidity management. Sources of liquidity are regularly reviewed.

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14. Financial risks (continued)

(B) Liquidity risk (continued)

Contractual maturity of financial assets and liabilities on an undiscounted basis

The table below presents the financial assets and liabilities payable by the Company by remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows (principal and interest) of all financial assets and liabilities.

	<1mth £'000	1-3mths £'000	3mths-1yr £'000	1-5yrs £'000	>5yrs £'000	Total £'000
2017						
Cash and cash equivalents	246	-	-	-	-	246
Trade and other receivables	3,533	-	-	-	-	3,533
Loans and receivables	6,349	12,695	1,820,392	6,329,694	-	8,169,130
Borrowings	(6,349)	(12,695)	(1,820,392)	(6,329,694)	-	(8,169,130)
Other liabilities	(3,530)	-	-	-	-	(3,530)
Net Assets/(Liabilities)	249	-	-	-	-	249
2016						
Cash and cash equivalents	262	-	-	-	-	262
Trade and other receivables	3,266	-	-	-	-	3,266
Loans and receivables	5,777	11,554	4,026,690	4,478,678	-	8,522,699
Borrowings	(5,777)	(11,554)	(4,026,690)	(4,478,678)	-	(8,522,699)
Other liabilities	(3,282)	-	-	-	-	(3,282)
Net Assets/(Liabilities)	246	-	-	-	-	246

The Company's borrowings are limited recourse and therefore only repayable to the extent the Company receives payments under the investor certificates held by it.

(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.

The Company finances its operations through the issue of medium term notes, which are denominated in pounds sterling at floating rates of interest. Interest incurred on borrowings is matched with interest earned on sterling-denominated (GBP) loans and receivables (investor certificates).

Series	Rates receivable on notes	Rates payable on notes
Series 2013-3	1 month sterling LIBOR plus 0.3655%	1 month sterling LIBOR plus 0.3655%
Series 2014-1	1 month sterling LIBOR plus 0.425%	1 month sterling LIBOR plus 0.425%
Series 2014-2	1 month sterling LIBOR plus 0.3646%	1 month sterling LIBOR plus 0.3646%
Series 2015-1	1 month sterling LIBOR plus 0.527%	1 month sterling LIBOR plus 0.527%
Series 2015-2	1 month sterling LIBOR plus 0.612%	1 month sterling LIBOR plus 0.612%

Interest rate sensitivity gap analysis

The sensitivity of the Statement of Comprehensive Income 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 liabilities held at 31 December.

Impact on net interest income

The impact of a 25 basis point increase or decrease in interest rates on net interest income is as follows:

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14. Financial risks (continued)

(C) Market risk (continued)

	2017		2016	
	+25 basis points £'000	-25 basis points £'000	+25 basis points £'000	-25 basis points £'000
Loans and receivables	19,864	(19,864)	20,980	(20,980)
Borrowings	(19,864)	19,864	(20,980)	20,980
Total	-	-	-	-

Re-pricing occurs on a monthly basis, with changes in the one month sterling LIBOR rates for the series in line with the interest rate table above.

15. Fair value of financial instruments

The fair value of financial instruments 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 summarises the fair value of financial assets and liabilities measured at amortised cost on the Company's balance sheet where the carrying amount is not a reasonable approximation of fair value and analyses those fair values.

	Notes	2017 Carrying Amount £'000	2017 Fair Value £'000	2016 Carrying Amount £'000	2016 Fair Value £'000
Financial assets					
Loans and receivables	(a)	7,945,617	7,827,387	8,391,983	8,335,432
Financial liabilities					
Borrowings	(a)	7,945,617	7,827,387	8,391,983	8,335,432

The fair value of financial assets and liabilities measured at amortised cost which are not included in the table above is the same as their carrying amounts.

Notes

- (a) The items were fair valued using an independent valuation from a third party unaffiliated to the Barclays Group for the purpose of providing management the fair value of the loans and receivables and borrowings. In order to derive the fair valuation, use is made of a discounted cashflow analysis where the expected cashflows are discounted by a discount rate. This discount rate is subjective and requires the use of estimates based similar instruments in the market and in cases where they are not traded a best estimate. This discounted cashflow analysis is assessed by management looking at evidence obtained from third parties to support the conclusion that these valuations are appropriate, including the level in the fair value hierarchy in which the valuations should be classified.

For 2016 the items are fair valued using the following techniques:

- Observable market prices for similarly rated Class A, A1 and A2 listed notes where available.
 - Discounted cash flow valuation techniques for Class A and Class D notes where there are no similar listed notes trading in the market. The discount rate used was based on interest rate curves for similar AAA and BB securities quoted by independent third parties.
- (b) A Sensitivity analysis was performed in terms of IFRS13 on the Fair Value of the Level 3 categorised medium term notes on the basis of a 10bp increase and decrease in the required spread of the notes. If the required spread for loans and receivables or borrowings increased by 10bp the fair value would decrease to £7.80 billion whereas if the spread decreased by the same magnitude the value would increase to £7.86 billion.

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.

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15. Fair value of financial instruments (continued)

Valuations based on observable inputs

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.

Valuations based on unobservable inputs

Valuation technique using significant unobservable inputs - Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table shows the fair value of financial assets and liabilities measured at amortised cost analysed by fair value hierarchy and balance sheet classification:

	FV £'000	Quoted Market Prices (Level 1) £'000	Observable Inputs (Level 2) £'000	Significant unobservable Inputs (Level 3) £'000
2017				
Financial assets				
Loans and receivables	7,827,387	-	-	7,827,387
Financial liabilities				
Borrowings	(7,827,387)	-	-	(7,827,387)
	FV £'000	Quoted Market Prices (Level 1) £'000	Observable Inputs (Level 2) £'000	Significant unobservable Inputs (Level 3) £'000
2016				
Financial assets				
Loans and receivables (a)	8,335,432	-	-	8,335,432
Financial liabilities				
Borrowings (b)	(8,335,432)	-	-	(8,335,432)

Level 3 loans and receivables and borrowings decreased during the year due to the redemption of investor certificates and medium term notes during 2017. The fair value of financial assets and liabilities measured at amortised cost which are not included in the table above is the same as their carrying amounts.

16. 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. Particulars of transactions, and the balances outstanding at the year end, are disclosed in the tables below.

Intertrust Management Limited holds 12,500 B ordinary shares in the Company which represents 100% ownership of that class of shares and entitles it to 49% of the total voting rights and 51% of the distributions. Intertrust Management Limited holds the B ordinary shares on a discretionary trust basis for the benefit of certain charities. Barclays Bank PLC owns 100% of the A ordinary shares in the Company which entitles it to 51% of the total voting rights and 49% of the distributions. The Company receives Directors services, administration, finance, tax and other support from Barclays Bank PLC for which no charges are made.

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16. Related party transactions (continued)

Related party transactions are summarised below:

	2017 £'000	2016 £'000
Asset / (liability)		
Prepayment/(creditor) with Barclays Bank PLC	(1)	19
Loans and receivables with Gracechurch Receivables Trustee Limited	7,945,617	8,391,983
Interest receivable from Gracechurch Receivables Trustee Limited	3,529	3,247
Borrowings from Gracechurch Card Programme Funding PLC	(7,945,617)	(8,391,983)
Interest payable to Gracechurch Card Programme Funding PLC	(3,529)	(3,247)
Prepayment with Intertrust Management Limited	3	3
Income Statement		
Interest earned on loans and receivables from Gracechurch Receivables Trustee Limited	64,882	95,918
Interest earned on loans and receivables from Barclays Bank PLC	58	99
Interest on borrowings from Gracechurch Card Programme Funding PLC	(64,878)	(95,914)
Professional fees payable to Intertrust Management Limited for Directors services	(14)	(14)
Cashflows		
Redemption of loans and receivables with Gracechurch Receivables Trustee Limited	446,366	-
Redemption of borrowings with Gracechurch Card Programme Funding PLC	(446,366)	-

Non-cash transactions

The Company extended the scheduled and legal maturity dates of the series 2013-3 and 2014-2 investor certificates and medium term notes. The extension was executed free of cashflow and hence is not reflected in the cash flow statement.

17. Events after the balance sheet date

On 9 March 2018, the High Court and the Prudential Regulation Authority approved the transfer of Barclays Bank PLC's UK retail and business banking operations, consumer cards, investment advisory and wealth management businesses and supporting operations to Barclays Bank UK PLC. The transfer took place on 1 April 2018 using a legal process called a Ring-Fencing Transfer Scheme under Part VII of the Financial Services and Markets Act 2000. On 1 April 2018 the Company's 37,500 Class A shares held by Barclays Bank PLC was transferred to Barclays Bank UK PLC and from this date the Company is ultimately controlled and gets consolidated into Barclays Bank UK PLC under International Financial Reporting Standards (IFRS). On 28 June 2018, the Company extended the scheduled and legal final maturity dates of series 2015-1. The original scheduled maturity date of the series of 15 November 2018 was extended to 15 November 2023. Accordingly, the legal final maturity dates for the series was extended from 16 November 2020 to 17 November 2025. When the investor certificates and medium term notes terms were extended their interest rates were also amended accordingly.

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18. Capital management

The Company's principal 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

The Board of Directors is responsible for capital management and has approved minimum control requirements for capital and liquidity risk (note 14b) management.

The Company regards as capital its equity, as shown in the balance sheet. Total capital is comprised as follows:

	2017 £'000	2016 £'000
Share capital	13	13
Retained earnings	235	232
Total capital	248	245

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or can issue new shares.

The Company does not have externally imposed capital requirements to which it is subject. The Company aims to maintain a minimum level of capital equivalent to the share capital issued in the Company. The Company currently maintains capital in excess of the minimum requirements required by the Directors.

19. Parent undertaking and ultimate holding company

The immediate parent of the Company is Barclays Bank PLC. The parent undertaking of the smallest group that presents group financial statements in which the Company is included is Barclays Bank PLC. The ultimate holding company and the parent company of the largest group that presents group financial statements in which the Company is included is Barclays PLC.

Barclays Bank PLC and Barclays PLC are incorporated in the United Kingdom and registered in England and Wales. The statutory financial statements of the Company, Barclays Bank PLC and Barclays PLC are available from Barclays Corporate Secretariat, 1 Churchill Place, London, E14 5HP, England.