

EBBGATE INVESTMENTS LIMITED

**Report and Financial Statements
For the year ended 31 December 2004**

REGISTERED NUMBER. 2605705



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EBBGATE INVESTMENTS LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2004

The Directors present their report together with the audited financial statements for the year ended 31 December 2004.

Review of business

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

Results and dividends

During the year the Company made a profit on ordinary activities after taxation of £103,947 (2003: £293,680). The Directors do not propose the payment of a final dividend (2003: £nil).

Directors

The Directors of the Company, who served during the year, are as shown below:

N W Salisbury
R W N Payne
S Castellette
P Richardson
T Martin (resigned 27 August 2004)

Directors' interests in shares (as defined by section 325 of the Companies Act 1985)

The Directors have no interest in the shares of the Company. The Directors' interests in the ordinary shares of Barclays PLC, the ultimate holding company, are shown below:

Directors' interests in Barclays PLC ordinary shares of 25p each

	At 1 January 2004	At 31 December 2004
Sharon Castellette	2,536	3,104
Tony Martin	14,881	-
Richard Payne	5,496	5,556
Philip Richardson	2,265	3,423
Nicholas Salisbury	3,160	2,413

Beneficial interests in the table above represent shares held by Directors, either directly or through a nominee, their spouse and children under eighteen. They include any interests held through the Barclays PLC Group SharePurchase plan, details of which can be found in the financial statements of Barclays PLC.

In addition, at 31 December 2004, Directors, together with senior executives of the Barclays Group, were potential beneficiaries in respect of a total of 115,031,594 Barclays PLC ordinary shares of 25p each (1 January 2004: 82,797,943 ordinary shares of 25p each in Barclays PLC) held by the trustees of the Barclays Group Employees' Benefit Trusts.

EBBGATE INVESTMENTS LIMITED

DIRECTORS' REPORT (continued)

For the year ended 31 December 2004

Directors' interests in Shares in Barclays PLC under option under Incentive Share Option Plan (ISOP)

	<u>Number held as at 1 January 2004 (a)</u>		<u>During the year</u>			<u>Information as at 31 December 2004</u>		
	Target Award Shares	Maximum number over which potentially exercisable	<u>Granted</u> Target Award Shares	<u>Maximum number over which potentially exercisable</u>	<u>Exercised</u>	<u>Lapsed (b)</u>	Target Award Shares	Maximum number over which potentially exercisable
P Richardson								
TSR	-	-	6,000	24,000	-	-	6,000	24,000
R W N Payne								
EP	12,000	24,000	-	-	-	4,000	8,000	20,000
TSR	-	-	6,000	24,000	-	-	6,000	24,000
N W Salisbury								
EP	14,000	28,000	-	-	-	-	14,000	28,000
TSR	-	-	6,000	24,000	-	-	6,000	24,000

(a) or date appointed to the Board, if later

(b) the 2001 grant vested on 12 March 2004. The result of the Economic Profit (EP) performance against the target has resulted in the Target Award vesting. The shares under option that did not vest have lapsed. The result of the relative Total Shareholder Return (TSR) performance target against the comparative group of companies resulted in a vesting multiplier of one times the Target Award.

Under the ISOP, participants are granted options over Barclays PLC ordinary shares which are exercisable at the market price set at the time of grant. The number of shares over which options can be exercised depends upon the performance of Barclays PLC. More information on this scheme can be found in the financial statements of Barclays PLC.

Directors' interests in Shares in Barclays PLC under option under closed incentive schemes and Sharesave

	<u>Number held at 1 January 2004 (a)</u>	<u>During the year</u>			<u>Number as at 31 December 2004</u>
		<u>Granted</u>	<u>Exercised</u>	<u>Lapsed</u>	
S Castellette Sharesave	3,870	801	568	-	4,103
R W N Payne Sharesave	4,675	1,202	1,420	-	4,457
P Richardson Sharesave	4,468	862	944	-	4,386
N W Salisbury ESOS	10,000	-	-	-	10,000
Sharesave	4,436	400	472	-	4,364

(a) or date appointed to the Board, if later

More information on these schemes can be found in the financial statements of Barclays PLC.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2004

Going concern

After reviewing detailed profit 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 they adopt the going concern basis in preparing the financial statements.

Statement of Directors' responsibilities

The following statement, which should be read in conjunction with the Auditors' Report set out on Page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the financial statements.

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on Pages 5 to 11:

- the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and
- that all the accounting standards which they consider to be applicable have been followed, and
- that the financial statements have been prepared on a going concern basis.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditors

On the 16 June 1992 an Elective Resolution was passed by the shareholders of the Company pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint Auditors annually. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

BY ORDER OF THE BOARD



For and on behalf of
Barcosec Limited
Secretary

Date: 23 May 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EBBGATE INVESTMENTS LIMITED

We have audited the financial statements on pages 5 to 11 which comprise the profit and loss account, the balance sheet and the related notes, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of Directors' responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report including the opinion has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' Report.

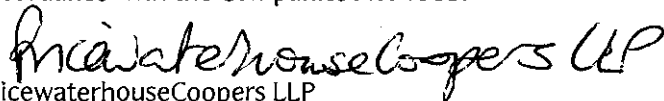
Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London, United Kingdom
23 MAY 2005

EBBGATE INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 £	2003 £
Administrative expenses		(36)	(32)
Other income		-	31,350
Operating Profit		<u>(36)</u>	<u>31,318</u>
Income from shares in group undertakings		70,749	200,000
Profit/(loss) on disposal of fixed asset investments		-	99,998
Profit/(loss) on revaluation of fixed asset investment	8	(430)	-
Interest receivable and similar income	3	4,871	2,513
Profit on ordinary activities before taxation	4	<u>75,154</u>	<u>333,829</u>
Tax on profit on ordinary activities	6	28,793	(40,149)
Profit on ordinary activities after taxation		<u>103,947</u>	<u>293,680</u>
Dividends - paid to group companies	7	-	(200,000)
Retained profit for the financial year		<u>103,947</u>	<u>93,680</u>
Retained profits brought forward		172,372	78,692
Retained profits carried forward	13	<u><u>276,319</u></u>	<u><u>172,372</u></u>

All recognised gains and losses are included in the profit and loss account.

Profits are derived from continuing activities.

There are no material differences between profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The notes on pages 7 to 11 form an integral part of these financial statements.

EBBGATE INVESTMENTS LIMITED

BALANCE SHEET AT 31 DECEMBER 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Investments	8	9,429	9,859
CURRENT ASSETS			
DEBTORS: Amounts falling due within one year	9	291,942	246,032
CREDITORS: Amounts falling due within one year	10	-	(58,467)
NET CURRENT ASSETS		291,942	187,565
NET ASSETS		<u>301,371</u>	<u>197,424</u>
CAPITAL AND RESERVES			
Called up share capital	11	25,052	25,052
Profit and loss account	12	276,319	172,372
SHAREHOLDERS' FUNDS	13	<u>301,371</u>	<u>197,424</u>

A reconciliation of movement in shareholders' funds is given in note 13.

The notes on pages 7 to 11 form an integral part of these financial statements.

The financial statements on pages 5 to 11 were approved by the Board of Directors on 23 May 2005 and were signed on its behalf by:



S Castellette
Director

EBBGATE INVESTMENTS LIMITED

EBBGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, the accounting policies set out below and in accordance with applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force.

Investments

Investments are stated at the lower of cost and the directors' opinion of their net realisable value.

Group Accounts

Group accounts have not been prepared as the Company is a wholly owned subsidiary of a company incorporated in Great Britain.

Impairment

A review for impairment of investments is carried out if changes in circumstances indicate that the carrying value of the investment may not be recoverable.

2. CASH FLOW STATEMENT

The Company's ultimate holding company has adopted the provisions of Financial Reporting Standard 1 ("FRS1") revised 1996, Cash Flow Statements. Accordingly the Company, which is a wholly owned subsidiary of Barclays Bank PLC, has elected to utilise the exemption provided in FRS1 not to produce a cash flow statement.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2004 £	2003 £
Interest receivable from group undertakings	4,185	1,827
Other interest receivable	686	686
	<hr/> 4,871	<hr/> 2,513
	<hr/> <hr/>	<hr/> <hr/>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration for the period was borne by a fellow subsidiary of Barclays Bank PLC and was not recharged to the company.

There were no employees employed by the Company during 2004 or 2003.

5. DIRECTORS' EMOLUMENTS

The Directors did not receive any emoluments in respect of their services to the Company during the year (2003: nil)

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £	2003 £
Current Tax:		
United Kingdom taxation on income for the period	1,322	40,149
Adjustment in respect of prior years	(30,115)	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	(28,793)	40,149
	<hr/>	<hr/>

The tax charge is based on a standard UK corporation tax rate of 30% (2003: 30%).

The overall tax charge is explained in the following table:-

Profit on ordinary activities before tax	75,154	333,829
Tax charge at average UK Corporation Tax rate of 30% (2003: 30%)	22,546	100,149
Prior year adjustments	(30,115)	-
UK dividend income – non taxable	(21,226)	(60,000)
	<hr/>	<hr/>
Overall tax charge	(28,793)	40,149
	<hr/>	<hr/>
Effective rate %	(38%)	12%
	<hr/>	<hr/>

7. DIVIDENDS

	2004 £	2003 £
Dividends on ordinary shares :		
Interim dividend paid (2004: nil) (2003: 7.98p)	-	(200,000)
Final dividend proposed	-	-
	<hr/>	<hr/>
Total dividend		(200,000)
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. FIXED ASSET INVESTMENTS

	Shares in Associated Undertakings £	Gilts £	Total £
Cost			
At 1 January 2004	102	9,757	9,859
Additions	-	-	-
Disposals	-	-	-
 At 31 December 2004	 102	 9,757	 9,859
Depreciation			
At 1 January 2004	-	-	-
Exchange and other adjustments	-	(430)	(430)
 At 31 December 2004	 -	 (430)	 (430)
Net book value			
At 31 December 2004	102	9,327	9,429
At 31 December 2003	102	9,757	9,859

All of the above investments, with the exception of the holding of UK government securities, are unlisted.

Details of associated undertakings are as follows:-

	Proportion of class held (%)	Proportion of total share capital with voting rights (%)	Activity
DAVID MCLEAN SHOWHOMES LIMITED			
£0.01 'B' Ordinary Shares	100	50	Property
MORRIS SHOWHOMES LIMITED			
£0.01 'B' Ordinary Shares	50	50	Property
BARLEY SHOWHOMES LIMITED			
£0.01 'B' Ordinary Shares	100	50	Property
FLAGSHIP CARE (LANCASTER) LIMITED			Health Care
£1 'A' Ordinary Shares	100	50	Services
FLAGSHIP CARE (SURREY) LIMITED			Health Care
£1 'A' Ordinary Shares	100	50	Services

All the above companies are incorporated in Great Britain and registered in England.

EBBGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. DEBTORS: Falling due within one year

	2004	2003
	£	£
Amounts owed by group undertakings	273,193	227,283
Called up share capital not paid	18,749	18,749
	<u>291,942</u>	<u>246,032</u>

10. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Amounts due to parent undertaking	-	18,000
Amounts due to group undertakings	-	40,467
	<u>-</u>	<u>58,467</u>

11. CALLED UP SHARE CAPITAL

	2004	2003
	£	£
<u>Authorised</u>		
100,000 ordinary shares of £1 each	100,000	100,000
<u>Allotted and fully or partly paid</u>		
53 ordinary shares of £1 each fully paid	53	53
24,999 ordinary shares of £1 each (25p paid)	24,999	24,999
	<u>25,052</u>	<u>25,052</u>

12. PROFIT AND LOSS ACCOUNT

	£
At 1 January 2004	172,372
Retained profit for the financial year	103,947
At 31 December 2004	<u>276,319</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Profit for the financial year	103,947	293,680
Dividends	-	(200,000)
Net addition to shareholders' funds	<u>103,947</u>	<u>93,680</u>
Opening shareholders' funds	197,424	103,744
Closing shareholders' funds	<u><u>301,371</u></u>	<u><u>197,424</u></u>

14. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption under the provisions of Financial Reporting Standard 8 ("FRS 8"), Related Party Disclosures not to disclose transactions with other group companies since the Company is a wholly owned subsidiary of Barclays Bank PLC, the consolidated financial statements of which are publicly available. During the year there have been no transactions with related parties other than group companies.

15. ULTIMATE HOLDING COMPANY

The parent undertaking of the smallest group that presents group accounts is Barclays Bank PLC. The ultimate holding company and the parent company of the largest group that presents group accounts is Barclays PLC. Both companies are incorporated in Great Britain and registered in England and Wales. The statutory accounts of Barclays Bank PLC and Barclays PLC are available from the Secretary, 54 Lombard Street, London EC3P 3AH.