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PYRUS INVESTMENTS LIMITED

Report and Financial Statements
For the period from 4 January to 31 December 2008



REGISTERED NUMBER (CAYMAN): CR109646

REGISTERED NUMBER IN ENGLAND AND WALES: FC024184

The Directors present their report together with the audited financial statements for the period from 4 January to 31 December 2008

Review of business and future outlook

The principal activity of the Company is to act as an investment company. No significant change in this activity is envisaged in the foreseeable future and the directors expect the company's performance to be in line with the current period.

The Directors have reviewed the Company's business and performance and consider it to be in line with expectations for the period. The Directors consider that the Company's position at the end of the period is consistent with the size and complexity of the business.

Given the nature of the business, the Company's Directors are of the opinion that analysis using Key Performance Indicators is not necessary for an understanding of the development, performance or position of the business.

Results and Dividends

During the period, the Company made a profit after taxation of \$49,398,050 (period to 3 January 2008 \$3,222,454 loss). No final dividend is recommended in respect of the ordinary shares (period to 3 January 2008 \$nil). The Directors consider that the performance of the Company has been satisfactory during the period.

Directors

The Directors of the Company, who served during the period, together with their dates of appointment and resignation, where appropriate, are as shown below:

P Emney (resigned 14 October 2008)

S Poulter

A Shah

S Ullman

Since the year end A Shah resigned as Director on 27 February 2009. D Lui was appointed as a Director on 16 March 2009.

Change in Accounting Period

The previous accounting period was for the period from 1 January 2008 to 3 January 2008.

Directors' Indemnities

Qualifying third-party indemnity provisions were in force during the course of the period from 4 January to 31 December 2008 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which they may incur (or have incurred) in connection with their duties/powers of office.

PYRUS INVESTMENTS LIMITED

Period from 4 January to 31 December 2008

Directors' Report (continued)

Derivatives and financial instruments

The Company's Directors are required to follow the requirements of the Barclays Group risk management policy, which includes specific guidelines on the management of foreign exchange, credit and interest rate risks and advises on the use of financial instruments to manage them. Barclays Group risk management policies can be found in the financial statements of Barclays Bank PLC.

Statement of Directors' Responsibilities

The following statement, which should be read in conjunction with the Auditors' Report, 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, as applicable to overseas companies, to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for the financial period.

The Directors consider that in preparing the financial statements,

- 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, as applicable to overseas companies.

Each of the Directors in office as at the date of this report confirms that

- there is no relevant audit information of which the Company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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.

PYRUS INVESTMENTS LIMITED

Period from 4 January to 31 December 2008

Directors' Report (continued)

Auditors

The directors have appointed PricewaterhouseCoopers LLP as auditors to the Company
PricewaterhouseCoopers LLP have indicated their willingness to continue in office

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'S. Allen', written over a horizontal line.

Director
for and on behalf of Pyrus Investments Limited
Date 21 July 2009

PYRUS INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PYRUS INVESTMENTS LIMITED

We have audited the financial statements of Pyrus Investments Limited for the period from 4 January 2008 to 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body to assist them in assessing whether the directors have complied with the overseas companies regulation on accounts 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, as applicable to overseas companies. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

PYRUS INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PYRUS INVESTMENTS LIMITED
(continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit and cash flows for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, as applicable to overseas companies, and
- the information given in the Directors' Report is consistent with the financial statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London, United Kingdom

Date 19 August 2009

PYRUS INVESTMENTS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 4 JANUARY TO 31 DECEMBER 2008**

	Notes	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Administrative expenses		(136,590)	(311)
Operating loss		<u>(136,590)</u>	<u>(311)</u>
Interest receivable and similar income	3	64,312,599	1,129,585
Interest payable and similar charges	4	<u>(2,090)</u>	<u>(5,474,219)</u>
Profit/(loss) on ordinary activities before taxation	5	64,173,919	(4,344,945)
Tax (charge)/credit on profit/(loss) on ordinary activities	6	<u>(14,775,869)</u>	<u>1,122,491</u>
Profit / (loss) on ordinary activities after taxation		<u><u>49,398,050</u></u>	<u><u>(3,222,454)</u></u>

All recognised gains and losses are included in the profit and loss account. The operating loss is derived from continuing activities. There is no difference between the results disclosed in the profit and loss account and the results on an unmodified historical cost basis. The notes 1 to 17 to the accounts form an integral part of these financial statements.

PYRUS INVESTMENTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	31 December 2008 \$	3 January 2008 \$
CURRENT ASSETS			
DEBTORS Amounts falling due within one year	7	2,070,271,404	2,031,009,335
CREDITORS Amounts falling due within one year	8	(13,056,022)	(23,192,003)
NET CURRENT ASSETS		<u>2,057,215,382</u>	<u>2,007,817,332</u>
NET ASSETS		<u>2,057,215,382</u>	<u>2,007,817,332</u>
CAPITAL AND RESERVES			
Called up share capital	9	9,100	9,100
Share premium	9	909,990,900	909,990,900
Profit and loss account		<u>1,147,215,382</u>	<u>1,097,817,332</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS	10	<u>2,057,215,382</u>	<u>2,007,817,332</u>

A reconciliation of movement in shareholders' funds is given in note 10

The notes 1 to 17 to the accounts form an integral part of these financial statements

The financial statements were approved by the board of Directors for issue on 21 July 2009 They were signed on its behalf by



Director

Date 21 July 2009

PYRUS INVESTMENTS LIMITED

CASH FLOW STATEMENT FOR THE PERIOD FROM 4 JANUARY TO 31 DECEMBER 2008

	Notes	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Net cash outflow from operating activities	11	(124,935)	(311)
Returns on investments and servicing of finance	12	62,159,670	(3,687,028)
Taxation		(24,088,185)	-
Management of liquid resources	13	(30,526,189)	2,906,750,000
Financing	14	-	(2,902,236,600)
Increase in cash during the period	15	<u>7,420,361</u>	<u>826,061</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

		31 December 2008 \$	3 January 2008 \$
Increase in cash during the period		7,420,361	826,061
Cash inflow / (outflow) from change in liquid resources		30,526,189	(6,750,000)
Change in net funds		<u>37,946,550</u>	<u>(5,923,939)</u>
Net funds at 4 January / 1 January		20,594,403	26,518,342
Net funds at 31 December / 3 January	15	<u>58,540,953</u>	<u>20,594,403</u>

PYRUS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention, the accounting policies set out below and in accordance with the Companies Act 1985 and applicable accounting standards of the Accounting Standards Board and pronouncements of the Urgent Issues Task Force

Overseas company

The financial statements have been prepared in accordance with the Companies Act 1985 applicable to overseas companies. The Company has taken advantage of the modifications and exemptions from disclosure that are set out in the Overseas Companies (Accounts) (Modifications and Exemptions) Order 1990

Revenue Recognition

Interest income and interest expense is recognised on an accruals basis

Foreign Exchange

Monetary assets and liabilities in foreign currencies are translated into US dollars at the exchange rate ruling at the balance sheet date except where rates of exchange are fixed under contractual arrangements. Trading results denominated in foreign currencies are translated into US dollar at average rates of exchange during the year unless a contracted rate applied. All exchange profits differences are included in the profit and loss account

Taxation

The charge for taxation is based on the results for the period and includes account taxation deferred. Deferred taxation is recognized on timing differences arising between the treatment of certain items for taxation and accounting purposes

Borrowings

Borrowings refer to loans and advances entered into and Class E preference shares issued by the Company. They are recognised as a liability when a contractual agreement results in the Company having a present obligation to deliver cash or another financial asset to the holder. The liability is recognised at initial cost and amortised cost using the effective rate of interest. Borrowing costs are charged as an expense to the income statement in the period in which they are incurred

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits repayable on demand with any qualifying financial institution, less overdrafts from any qualifying financial institution repayable on demand. Deposits are repayable on demand if they can be withdrawn at any time without notice

2. DIRECTORS' EMOLUMENTS

The directors did not receive any emoluments in respect of their services to the Company during the period and the prior period

· PYRUS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Interest receivable from parent and group undertakings	64,312,599	1,129,585

Interest receivable from parent and group undertakings represents amounts receivable from Barclays Bank PLC \$37,205,174 (period from 1 January to 3 January 2008 \$1,092,585), Barclays Mercantile Business Finance Limited \$1,840,000 (period from 1 January to 3 January 2008 \$37,000) and Hawkins Funding Limited \$25,267,425 (period from 1 January to 3 January 2008 \$nil)

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Interest payable to group undertakings	2,090	-
Dividends on redeemable preference shares		
- Paid and accrued	-	1,843,333
- Redemption adjustment	-	(112,783)
Sale and repurchase agreement interest payable	-	2,920,004
Swap interest payable	-	823,665
	2,090	5,474,219

Interest payable to group undertakings of \$2,090 represents amounts payable to Barclays Bank PLC. During the prior period, the company made a payment of \$823,665 under an interest rate swap with Barclays Bank PLC.

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

There were no employees employed by the Company during the period or the prior period. The audit fee is borne by another group company. Although the audit fee is borne by another group company, the fee that would have been charged to the company amounts to \$5,832 for the period (period from 1 January to 3 January 2008 \$5,975). This fee is not recognised as an expense in the financial statements.

PYRUS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Current tax		
United Kingdom taxation charge / (credit) on income for the period	14,775,869	(1,122,491)

The UK corporation tax charge is based on a blended UK corporation tax rate of 28.5% (period from 1 January to 3 January 2008 30%). The effective tax rate is different from the standard tax rate as a result of foreign exchange

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Profit / (loss) on ordinary activities before taxation	64,173,919	(4,344,945)
Profit / (loss) on ordinary activities multiplied by the blended rate corporation tax in the UK of 28.5% (period from 1 January to 3 January 2008 30%)	18,289,567	(1,303,484)
Effects of Non-deductible preference share dividends	-	519,165
Foreign exchange	(3,513,698)	(338,172)
Current tax charge / (credit)	14,775,869	(1,122,491)

The corporate taxation rate changed from 30% to 28% from 1 April 2008, a blended rate of 28.5% has been applied to calculate the tax charge for the current period

7. DEBTORS

	31 December 2008 \$	3 January 2008 \$
Debtors falling due within one year		
Amounts owed by parent and group undertakings	2,070,271,404	2,031,009,335

Amounts owed by parent and group undertakings falling due within one year represent amounts due from Barclays Bank PLC \$968,577,824 (3 January 2008 \$1,730,972,335) and Hawkins Funding Limited of \$1,101,693,580 (3 January 2008 \$nil). Amounts owned by Barclays Mercantile Business Finance Limited of \$300,037,000 were repaid during the period. Amounts owed by Barclays Bank PLC and falling due within one year includes bank balances of \$8,764,764 (3 January 2008 \$20,594,403) and loans of \$959,813,060 (3 January 2008 \$1,710,377,932).

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NOTES TO THE FINANCIAL STATEMENTS (continued)

8. CREDITORS

Creditors falling due within one year	31 December 2008	3 January 2008
	\$	\$
Corporation tax	13,056,022	22,368,338
Amounts owed to group undertakings	-	823,665
	<u>13,056,022</u>	<u>23,192,003</u>

Amounts owed to group undertakings in the prior period of \$823,665 represent amounts payable to Barclays Bank PLC

9. CALLED UP SHARE CAPITAL

	31 December 2008	3 January 2008
	\$	\$
Authorised:		
32,000,000 ordinary shares of \$0.01 each	320,000	320,000
4,000 redeemable unlimited shares of \$0.01 each	40	40
	<u>320,040</u>	<u>320,040</u>
Allotted and fully paid:		
910,000 ordinary shares of \$0.01 each	9,100	9,100
	<u>9,100</u>	<u>9,100</u>
Share premium:		
910,000 ordinary shares of \$999.99 each	909,990,900	909,990,900
	<u>909,990,900</u>	<u>909,990,900</u>

The redeemable unlimited shares are redeemable at any time by the Company and rank after all other classes of shares in a return of capital on liquidation or dissolution of the Company. The redeemable unlimited shares confer no voting rights on the holder.

The ordinary shareholders carry 100% of the voting rights of the Company.

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Period from 4 January 2008 to 31 December 2008	Period from 1 January 2008 to 3 January 2008
	\$	\$
Retained profit / (loss) for the period	49,398,050	(3,222,454)
Increase / (decrease) in shareholders' funds	<u>49,398,050</u>	<u>(3,222,454)</u>
Opening shareholders' funds	2,007,817,332	2,011,039,786
Closing shareholders' funds	<u>2,057,215,382</u>	<u>2,007,817,332</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

11. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Operating loss	(136,590)	(311)
Changes in operating assets and liabilities		
Decrease in debtors	11,655	-
Net cash outflow from operating activities	<u>(124,935)</u>	<u>(311)</u>

12. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Interest received / (paid) from/to group undertakings	62,159,670	(1,843,695)
Non-capital distributions to preference shareholders	-	(1,843,333)
	<u>62,159,670</u>	<u>(3,687,028)</u>

13. MANAGEMENT OF LIQUID RESOURCES

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Movement in loans to parent and group companies	-	2,900,000,000
Movement in short term deposits with parent and group undertakings	(30,526,189)	6,750,000
	<u>(30,526,189)</u>	<u>2,906,750,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. FINANCING

	Period from 4 January 2008 to 31 December 2008 \$	Period from 1 January 2008 to 3 January 2008 \$
Redemption of preference shares	-	2,902,236,600

15. ANALYSIS OF NET FUNDS

	At 4 January \$	Cashflow \$	At 31 December \$
For the period 1 Jan to 3 Jan 2008			
Cash and balances at bank	1,344,403	7,420,361	8,764,764
Liquid resources	19,250,000	30,526,189	49,776,189
	<u>20,594,403</u>	<u>37,946,550</u>	<u>58,540,953</u>

	At 1 January \$	Cashflow \$	At 3 January \$
For the period 1 Jan to 3 Jan 2008			
Cash and balances at bank	518,342	826,061	1,344,403
Liquid resources	26,000,000	(6,750,000)	19,250,000
	<u>26,518,342</u>	<u>(5,923,939)</u>	<u>20,594,403</u>

16. RELATED PARTY TRANSACTIONS

The Company has amounts owing from Barclays Bank PLC and its wholly owned subsidiaries, as disclosed in note 7 and 8. Amounts received and paid in the year in respect of these amounts are disclosed in notes 3 and 4. The consolidated financial statements of Barclays Bank PLC are publicly available. There have been no other transactions with related parties requiring disclosure during the period 4 January 2008 to 31 December 2008.

17. ULTIMATE HOLDING COMPANY

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