BARCLAYS

Barclays PLC
One Churchill Place
London E14 5HP

International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH

15 January 2009

Dear Sirs,

ED Investments in Debt Instruments: Proposed amendments to IFRS 7

Barclays is a UK-based financial services group, with a very large international presence in Europe, the USA, Africa and Asia. It is engaged primarily in banking, investment banking and investment management. In terms of market capitalisation, Barclays is one of the largest financial services companies in the world. Barclays has been involved in banking for over 300 years and operates in over 50 countries with more than 135,000 employees.

We are pleased to respond to this exposure draft. Our responses to the detailed questions are included in the appendix. In addition we would like to highlight the following points:

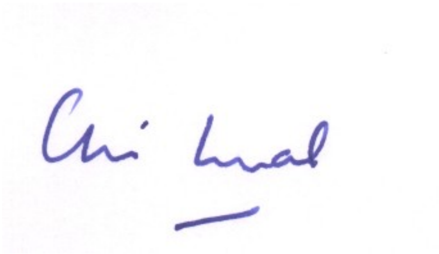
- We consider that the IASB should review the recognition, measurement and presentation of impairment of AFS as a priority. Disclosure is not a solution to flaws in recognition, measurement and presentation. Therefore we do not support disclosure changes being made in advance of a review of the broader accounting issues relating to impairment.

- We question the usefulness of the disclosures proposed in the ED and note that they do not appear consistent with the discussions at the recent IASB round-tables. We do not think that much of the information required to meet the disclosures is currently available or can be developed easily. Therefore, we do not support the disclosure requirements which seem to us to fail a reasonable cost/benefit analysis.

- We understand that the IASB needs to act quickly in the current market conditions and that short consultation and implementation periods are not normal practice. As a matter of principal, however, we do not support changes in accounting requirements being introduced retrospectively and without sufficient time for implementation.

If you have any questions on this response, please contact Sondra Tarshis at the above address.

Yours faithfully,



C G Lucas
Group Finance Director

SPECIFIC QUESTIONS

Question 1 The exposure draft proposes in paragraph 30A(a) to require entities to disclose the pre-tax profit or loss as though all investments in debt instruments (other than those classified as at fair value through profit or loss) had been (i) classified as at fair value through profit or loss and (ii) accounted for at amortised cost.
Do you agree with that proposal? If not, why? What would you propose instead, and why?

As set out in the covering letter, we do not agree with the proposed disclosure. Rather, we suggest that the disclosure suggested by the round-tables, which is an analysis of AFS impairment into that relating to the incurred loss (calculated on an amortised cost basis) and the remainder of the fair value movement, could meet the information need identified at the IASB round-tables and could be produced cost-effectively.

Question 2 The exposure draft proposes to require disclosing the pre-tax profit or loss amount that would have resulted under two alternative classification assumptions. Should reconciliations be required between profit or loss and the profit or loss that would have resulted under the two scenarios? If so, why and what level of detail should be required for such reconciliations?

As set out in the covering letter, we do not agree with the proposed disclosure. We consider that there are significant difficulties for entities to determine what the results would be under alternative classification assumptions and we question the usefulness of this information. We do not support reconciliation requirements.

Question 3 The exposure draft proposes in paragraph 30A(b) to require entities to disclose for all investments in debt instruments (other than those classified as at fair value through profit or loss) a summary of the different measurement bases of these instruments that sets out (i) the measurement as in the statement of financial position, (ii) fair value and (iii) amortised cost.
Do you agree with that proposal? If not, why? What would you propose instead, and why?

As set out in the covering letter, we do not agree with the proposed disclosure. The summary of different measurement bases seems to duplicate existing IFRS 7 requirements or, to the extent it would require new information, it is information that cannot be obtained readily.

Question 4 The exposure draft proposes a scope that excludes investments in debt instruments classified as at fair value through profit or loss. Do you agree with that proposal? If not, would you propose including investments in debt instruments designated as at fair value through profit or loss or those classified as held for trading or both, and if so, why?

Yes. We agree that it is not practically possible to require amortised cost information for financial instruments designated at fair value through profit or loss. Conversely, we also believe it is not practically possible to require fair value information for financial instruments recognised at amortised cost in the financial statements.

Question 5 Do you agree with the proposed effective date? If not, why? What would you propose instead, and why?

As set out in the covering letter, we do not agree with the proposed effective date. It is not acceptable for accounting standards to introduce new requirements after the end of the financial year to which they first apply. If suitable disclosure requirements can be developed that meet the information need identified at the round-tables, the effective date should not apply on a retrospective basis and should allow a reasonable period for implementation with permitted early adoption.

Question 6 Are the transition requirements appropriate? If not, why? What would you propose instead, and why?

We agree that comparatives should not be required in the first year of implementation of the requirements proposed.