

Mercantile Credit Company Limited
Strategic Report
For the year ended 31 December 2019

Review and principal activities

During the year, the principal activity of the Company was management of its receivables portfolio of bad debt recoveries on personal loan agreements. The Company will continue to collect out its receivables portfolio for the foreseeable future.

Business performance

The results of the Company show a profit after tax of £18 (2018 Loss: £18). The Company has net assets of £5,518 (2018: £5,386). Net cash generated from operating activities for 2019 is £446 (2018: £522).

Future outlook

The Directors monitor the performance of the Company as a supporting agent and intend to continue the same in future.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Barclays PLC group and are not managed separately. Accordingly, the principal risks and uncertainties of Barclays PLC, which include those of the Company, are discussed in Barclays PLC 2019 Annual Report which does not form part of this report.

Key performance indicators

The Directors of Barclays PLC manage the group's operations on a business cluster basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Company, is discussed in the Barclays PLC 2019 Annual report, which does not form part of this report.

Section 172(1) statement

The Directors have acted in a way that they considered, in good faith, to be most likely to promote the success of Mercantile Credit Company Limited (the 'Company') for the benefit of its sole member, and in doing so had regard, amongst other matters, to:

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

The Directors also took into account the views and interests of a wider set of stakeholders, including our regulator, the Government, and non-government organisations. You can find out more about who are key stakeholders are, how management engaged with them, the key issues raised and actions taken on pages 14 to 15 of the Barclays PLC Annual Report 2019 which is incorporated by reference into this statement.

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

How does the board engage with stakeholders?

The Board will sometimes engage directly with certain stakeholders on certain issues, but the size and distribution of our stakeholders and of Barclays means that stakeholder engagement often takes place at an operational level.

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


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

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

The purpose of MCCL is management of its receivables portfolio of bad debt recoveries on personal loan agreement. Due to the nature of the Company, no decisions were made by the Directors during the reporting period which required them to have regard to the matters set out in section 172 of the Companies Act 2006.

FOR AND ON BEHALF OF THE BOARD

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S G Bolton

Director

Date: 16 September 2020

Company number: 0290277