BARCLAYS PLC
Form 6-K
March 04, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

March 03, 2015

Barclays PLC and
Barclays Bank PLC
(Names of Registrants)

1 Churchill Place
London E14 5HP
England

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No x

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

This Report is a joint Report on Form 6-K filed by Barclays PLC and Barclays Bank PLC. All of the issued ordinary share capital of Barclays Bank PLC is owned by Barclays PLC.

This Report comprises:

Information given to The London Stock Exchange and furnished pursuant to General Instruction B to the General Instructions to Form 6-K.

EXHIBIT INDEX

Final Results - dated 03 March 2015

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the registrants has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BARCLAYS PLC
(Registrant)

Date: March 03, 2015

By: /s/ Marie Smith

Marie Smith
Assistant Secretary

BARCLAYS BANK PLC
(Registrant)

Date: March 03, 2015

By: /s/ Marie Smith

Marie Smith
Assistant Secretary

Barclays PLC
Results Announcement

31 December 2014

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BARCLAYS PLC, 1 CHURCHILL PLACE, LONDON, E14 5HP, UNITED KINGDOM. TELEPHONE: +44 (0) 20 7116 1000. COMPANY NO. 48839

Notes
The term Barclays or Group refers to Barclays PLC together with its subsidiaries. Unless otherwise stated, the income statement analysis compares the year ended 31 December 2014 to the corresponding twelve months of 2013 and balance sheet analysis as at 31 December 2014 with comparatives relating to 31 December 2013. The abbreviations '£m' and '£bn' represent millions and thousands of millions of Pounds Sterling respectively; and the abbreviations '$m' and '$bn' represent millions and thousands of millions of US Dollars respectively.
The comparatives have been restated to reflect the implementation of the Group structure changes and the reallocation of elements of the Head Office results under the revised business structure. These restatements were detailed in our announcement on 10 July 2014, accessible at http://www.barclays.com/barclays-investor-relations/results-and-reports. Balance sheet comparative figures have also been restated to adopt the offsetting amendments to IAS 32, Financial Instruments: Presentation.
References throughout this Results Announcement to 'provisions for ongoing investigations and litigation relating to Foreign Exchange' means a provision of £1,250m held as at 31 December 2014 for certain aspects of ongoing investigations involving certain authorities and litigation relating to Foreign Exchange.

Adjusted profit before tax, adjusted attributable profit and adjusted performance metrics have been presented to provide a more consistent basis for comparing business performance between periods. Adjusting items are considered to be significant but not representative of the underlying business performance. Items excluded from the adjusted measures are: the impact of own credit; goodwill impairment; provisions for Payment Protection Insurance and claims management costs (PPI) and interest rate hedging redress; gain on US Lehman acquisition assets; provision for ongoing investigations and litigation relating to Foreign Exchange; loss on announced sale of the Spanish business; and Education, Social Housing, and Local Authority (ESHLA) valuation revision. As management reviews adjusting items at a Group level, results by business are presented excluding these items. The reconciliation of adjusted to statutory performance is done at a Group level only.

Relevant terms that are used in this document but are not defined under applicable regulatory guidance or International Financial Reporting Standards (IFRS) are explained in the Results glossary that can be accessed at www.Barclays.com/results.

This results announcement has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and should be read in conjunction with the annual financial statements for the year ended 31 December 2014 included in the Annual Report, which have been prepared in accordance with IFRS as adopted by the European Union. The information in this announcement, which was approved by the Board of Directors on 2 March 2015 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2014, which include certain information required for the Joint Annual Report on Form 20-F of Barclays PLC and Barclays Bank PLC pursuant to the rules of the US Securities and Exchange Commission (SEC) (2014 20-F) and which contain an unqualified audit report under Section 495 of the Companies Act 2006 (which does not make any statements under Section 498 of the Companies Act 2006) will be delivered to the Registrar of Companies in accordance with Section 441 of the Companies Act 2006.

These results will be furnished as a Form 6-K to the SEC as soon as practicable following their publication. Once furnished to the SEC, copies of the Form 6-K will also be available from the Barclays Investor Relations website www.barclays.com/investorrelations and from the SEC's website at http://www.sec.gov.

Barclays is a frequent issuer in the debt capital markets and regularly meets with investors via formal road shows and other ad hoc meetings. Consistent with its usual practice, Barclays expects that from time to time over the coming quarter it will meet with investors globally to discuss these results and other matters relating to the Group.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance. Barclays cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, assets, impairment charges and provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the Transform Programme and Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers and other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under IFRS, evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, US, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of the Group; the potential for one or more countries exiting the Eurozone; the impact of EU and US sanctions on Russia; the implementation of the Transform Programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. Additional risks and factors are identified in our filings with the SEC including our Annual Report on Form 20-F for the fiscal year ended 31 December 2013, which are available on the SEC's website at http://www.sec.gov; and in our Annual Report for the fiscal year ended 31 December 2014, which is available on the Barclays Investor Relations website at www.barclays.com/investorrelations.

Any forward-looking statements made herein speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information or future events. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc (the LSE) or applicable law, Barclays expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Barclays' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the SEC, including the 2014 20-F.

Performance Highlights

Steady progress towards our Transform targets. Higher Group and Core profit before tax were driven by focused cost saving initiatives. Significant Non-Core run down throughout the year contributed to strengthening of Group capital and leverage ratios

Group adjusted profit before tax increased 12% to £5,502m with Core profit before tax increasing 3% to £6,682m and areduction in Non-Core loss before tax of 24% to £1,180m

Total adjusted operating expenses decreased 9% to £18,069m driven by savings from Transform programmes, including a 5% net reduction in headcount. Operating expenses excluding costs to achieve Transform reduced £1,780m to £16,904m

Credit impairment charges reduced 29% to £2,168m, with a £732m reduction in Non-Core to £168m and an 8% reduction in the Core business to £2,000m

Within the Core business, Personal & Corporate Banking (PCB) and Barclaycard continued to grow profits, with both increasing income and reducing operating expenses excluding costs to achieve Transform. Africa Banking reported improved constant currency results, with reported results impacted by adverse currency movements. The Investment Bank made further progress on its strategic repositioning whilst driving cost savings and RWA efficiencies, despite challenging market conditions impacting income. Core return on average equity excluding costs to achieve Transform of 10.9% (2013: 12.7%)

Non-Core run-down made good progress, with RWAs reducing £35bn to £75bn. Period end allocated equity reduced £4bn to £11bn

Fully loaded CRD IV Common Equity Tier 1 (CET1) ratio increased to 10.3% (2013: 9.1%) achieving further progress towards the 2016 Transform target in excess of 11%. The improvement was mainly driven by a £40.6bn

reduction
in RWAs to £402bn, demonstrating good progress on the Non-Core run-down, and capital growth to £41.5bn (2013: £40.4bn). Including the sale of the Spanish business, completed on 2 January 2015, the fully loaded CRD IV CET1 ratio would have increased to 10.5% as at 31 December 2014

The BCBS 270 leverage ratio increasedto 3.7% (September 2014: 3.5%), close to our 2016 Transform target in excess of 4%. The increase was due to a significant reduction in leverage exposure in Q414 to £1,233bn (September 2014:
£1,324bn) driven by a seasonal reduction in settlement balances and continued reductions in Non-Core leverage exposure

Net tangible asset value per share increased to 285p (2013: 283p)

Material adjusting items:

A valuation revision of £935m was recognised in Q414 against the Education, Social Housing, and Local Authority (ESHLA) loan portfolio held at fair value in Barclays Non-Core. This is due to changes in discount rates applied in the valuation methodology. This revision does not impact either the CET1 or leverage ratio

A provision of £1,250m was recognised in H214 for ongoing investigations and litigation relating to Foreign Exchange. This included an additional provision of £750m recognised in Q414

An additional PPI redress provision of £200m was recognised in Q414 based on an updated best estimate of future redress and associated costs, resulting in a full year net charge of £1,110m in relation to PPI and interest rate hedging redress

A £461m gain on US Lehman acquisition assets was recognised in Q314 (Q213: £259m)

A loss was realised on the announced sale of the Spanish business of £446m in Q3 and Q414, which completed on 2 January 2015. In addition, accumulated currency translation reserve losses of approximately £100m will be recognised on completion in Q115

Barclays Group results	Adjusted			Statutory		
for the year ended	31.12.14	31.12.131		31.12.14	31.12.13	
	£m	£m	% Change	£m	£m	% Change
Total income net of insurance claims	25,728	27,896	(8)	25,288	27,935	(9)
Credit impairment charges and other provisions	(2,168)	(3,071)	29	(2,168)	(3,071)	29
Net operating income	23,560	24,825	(5)	23,120	24,864	(7)
Operating expenses	(15,993)	(17,739)	10	(15,993)	(17,818)	10
Litigation and conduct	(449)	(441)	(2)	(2,809)	(2,441)	(15)
UK bank levy	(462)	(504)	8	(462)	(504)	8
Operating expenses excluding costs to achieve Transform	(16,904)	(18,684)	10	(19,264)	(20,763)	7
Costs to achieve Transform	(1,165)	(1,209)	4	(1,165)	(1,209)	4
Total operating expenses	(18,069)	(19,893)	9	(20,429)	(21,972)	7
Loss on announced sale of the Spanish business	-	-		(446)	-	
Other net income/(expense)	11	(24)		11	(24)	

Profit before tax	5,502	4,908	12	2,256	2,868	(21)
Tax charge	(1,704)	(1,963)	13	(1,411)	(1,571)	10
Profit after tax	3,798	2,945	29	845	1,297	(35)
Non-controlling interests	(769)	(757)	(2)	(769)	(757)	(2)
Other equity interests2	(250)	-		(250)	-	
Attributable profit	2,779	2,188	27	(174)	540	
Performance measures						
Return on average tangible shareholders' equity2	5.9%	4.8%		(0.3%)	1.2%	
Return on average shareholders' equity2	5.1%	4.1%		(0.2%)	1.0%	
Cost: income ratio	70%	71%		81%	79%	
Loan loss rate (bps)	46	64		46	64	
Basic earnings per share2	17.3p	15.3p		(0.7p)	3.8p	
Dividend per share	6.5p	6.5p		6.5p	6.5p	
Balance sheet and leverage						
Net tangible asset value per share				285p	283p	
Net asset value per share				335p	331p	
BCBS 270 leverage exposure				£1,233bn	n/a	
Capital management						
CRD IV fully loaded						
Common equity tier 1 ratio				10.3%	9.1%	
Common equity tier 1 capital				£41.5bn	£40.4bn	
Tier 1 capital				£46.0bn	£42.7bn	
Risk weighted assets				£402bn	£442bn	
BCBS 270 leverage ratio				3.7%	n/a	
Funding and liquidity						
Group liquidity pool				£149bn	£127bn	
Estimated CRD IV liquidity coverage ratio				124%	96%	
Loan: deposit ratio3				89%	91%	
Adjusted profit reconciliation						
Adjusted profit before tax				5,502	4,908	
Own credit				34	(220)	
Goodwill impairment				-	(79)	
Provisions for PPI and interest rate hedging redress				(1,110)	(2,000)	
Gain on US Lehman acquisition assets1				461	259	
Provision for ongoing investigations and litigation relating to Foreign Exchange				(1,250)	-	
Loss on announced sale of the Spanish business				(446)	-	
ESHLA valuation revision				(935)	-	
Statutory profit before tax				2,256	2,868	

1 2013 adjusted income and profit before tax have been restated to exclude the Q213 £259m gain relating to assets not yet received from the US Lehman acquisition to aid comparability given its material nature in the current year.

2 The profit after tax attributable to other equity holders of £250m (2013: £nil) is offset by a tax credit recorded in reserves of £54m (2013: £nil). The net amount of £196m, along with non-controlling interests (NCI) is deducted from profit after tax in order to calculate earnings per share, return on average tangible shareholders' equity and return on average shareholders' equity.

3 Loan: deposit ratio for PCB, Barclaycard, Africa Banking and Non-Core retail.

Barclays Core and Non-Core results for the year ended	Barclays Core 31.12.14	31.12.131		Barclays Non-Core 31.12.14	31.12.13	
	£m	£m	% Change	£m	£m	% Change
Total income net of insurance claims	24,678	25,603	(4)	1,050	2,293	(54)
Credit impairment charges and other provisions	(2,000)	(2,171)	8	(168)	(900)	81
Net operating income	22,678	23,432	(3)	882	1,393	(37)
Operating expenses	(14,483)	(15,809)	8	(1,510)	(1,930)	22
Litigation and conduct	(251)	(173)	(45)	(198)	(268)	26
UK bank levy	(371)	(395)	6	(91)	(109)	17
Costs to achieve Transform	(953)	(671)	(42)	(212)	(538)	61
Total operating expenses	(16,058)	(17,048)	6	(2,011)	(2,845)	29
Other net income/(expense)	62	86	(28)	(51)	(110)	54
Profit/(loss) before tax	6,682	6,470	3	(1,180)	(1,562)	24
Tax (charge)/credit	(1,976)	(1,754)	(13)	272	(209)	
Profit/(loss) after tax	4,706	4,716	-	(908)	(1,771)	49
Non-controlling interests	(648)	(638)	(2)	(121)	(119)	(2)
Other equity interests	(194)	-		(56)	-	
Attributable profit/(loss)	3,864	4,078	(5)	(1,085)	(1,890)	43
Performance measures						
Return on average tangible equity2	11.3%	14.4%		(5.4%)	(9.6%)	
Average allocated tangible equity (£bn)	£35bn	£28bn		£13bn	£17bn	
Return on average equity2	9.2%	11.3%		(4.1%)	(7.2%)	
Average allocated equity (£bn)	£42bn	£36bn		£13bn	£17bn	
Period end allocated equity (£bn)	£45bn	£39bn		£11bn	£15bn	
Cost: income ratio	65%	67%		n/a	n/a	
Basic earnings per share contribution	24.0p	28.5p		(6.7p)	(13.2p)	
Capital management						
Risk weighted assets	£327bn	£333bn		£75bn	£110bn	
BCBS 270 leverage exposure	£956bn	n/a		£277bn	n/a	

	31.12.14	31.12.13	
Income by business	£m	£m	% Change
Personal and Corporate Banking	8,828	8,723	1
Barclaycard	4,356	4,103	6
Africa Banking	3,664	4,039	(9)
Investment Bank1	7,588	8,596	(12)
Head Office	242	142	70
Barclays Core	24,678	25,603	(4)

Barclays Non-Core	1,050	2,293	(54)
Barclays Group adjusted income	25,728	27,896	(8)

	31.12.14	31.12.13	
Profit/(loss) before tax by business	£m	£m	% Change
Personal and Corporate Banking	2,885	2,233	29
Barclaycard	1,339	1,183	13
Africa Banking	984	1,049	(6)
Investment Bank1	1,377	2,020	(32)
Head Office	97	(15)	
Barclays Core	6,682	6,470	3
Barclays Non-Core	(1,180)	(1,562)	24
Barclays Group adjusted profit before tax	5,502	4,908	12

1 2013 adjusted income and profit before tax have been restated to exclude the Q213 £259m gain relating to assets not yet received from the US Lehman acquisition to aid comparability given its material nature in the current year.

2 Return on average equity and average tangible equity for Barclays Non-Core represents its impact on the Group, being the difference between Barclays Group returns and Barclays Core returns. This does not represent the return on average equity and average tangible equity of the Non-Core business.

Group Chief Executive Officer's Review

"Barclays today is a stronger business, with better prospects, than at any time since the financial crisis.

While our work in transforming the bank is not complete, our performance in 2014 gives us confidence that we are on the right track.

Group adjusted profit before tax increased 12% year on year. Our Personal and Corporate Banking and Barclaycard businesses continue to thrive and grow, Africa Banking has done well despite currency headwinds, and we saw encouraging performance in several areas of our Investment Bank.

We made good progress against our Transform 2016 targets during the year, notably on cost, capital, and leverage, providing further evidence that our strategy is working.

On cost, we delivered significant reductions in 2014, with operating costs reducing nearly £1.8bn, equivalent to 10% of the Group adjusted cost base excluding costs to achieve Transform. This achievement over the past twelve months, with further reductions to come in 2015, will better position Barclays to grow returns and drive sustainable competitive advantages across all of our businesses. In our Core business, the future of Barclays, adjusted Return on Equity was nearly 11% excluding costs to achieve Transform, tracking well towards the 12% plus we are targeting for 2016. Barclays Non-Core run-down is ahead of target, with RWAs reducing by nearly £35bn to £75bn, and its RoE dilution reducing from 7.2% to 4.1%.

We made substantial progress in strengthening our capital position in 2014. Our fully loaded CET1 ratio improved to 10.5%, taking into account the effect of the disposal of our Spanish business completed on 2 January 2015 and a further provision in Q4 for ongoing investigations and litigation relating to Foreign Exchange, compared to 9.1% a year ago. Equally important, our leverage ratio increased to 3.7%. This means we are now well positioned to achieve the Transform 2016 targets of greater than 11% and 4% respectively.

In terms of dividends, we declared a cash dividend of 6.5p for 2014 despite the impact of provisions for conduct items. We have a growing confidence in the capital position of the Group and continue to target a 40-50% payout ratio.

Barclays is also making steady progress on the targets in our Balanced Scorecard, implemented across the organisation for the first time this year. Specific measures across Customers and Clients, Colleagues, Conduct, Citizenship, and Company - tied directly to executive and staff appraisals and remuneration - ensure that we are delivering performance in the right way, in line with our purpose and values.

We remain focussed on addressing outstanding conduct issues, including those relating to Foreign Exchange trading. I regard the behaviour at the centre of these investigations as wholly incompatible with our values, and I share the frustration of colleagues and shareholders that matters like these continue to cast a shadow over our business. But resolving these issues is an important part of our plan for Barclays and, although it may be difficult, I expect that we will make significant progress in this area in 2015.

So despite our real progress in 2014, we still have more work to do. We are determined to build on the momentum across the Group, to continue to improve returns across our businesses, and to accelerate execution of our plans.

2015 will be a year of continued delivery for Barclays."

Antony Jenkins, Group Chief Executive

Group Finance Director's Review

Income statement
Group performance

Adjusted profit before tax increased 12% to £5,502m driven by improvements in PCB, Barclaycard and Non-Core, partially offset by a reduction in the Investment Bank and adverse currency movements impacting Africa Banking

reported results

Adjusted income decreased 8% to £25,728m whilst impairment reduced 29% to £2,168m, resulting in a 5% decrease in net operating income to £23,560m

Total adjusted operating expenses were down 9% to £18,069m, driven by savings from Transform programmes, including a 5% net reduction in headcount, and currency movements

- Total compensation costs decreased 8% to £8,891m, with the Investment Bank reducing 9% to £3,620m, reflecting reduced headcount, and lower deferred and current year bonus charges
- Operating expenses excluding costs to achieve Transform were £16,904m (2013: £18,684m). Costs to achieve Transform were £1,165m (2013: £1,209m)

Statutory profit before tax was £2,256m (2013: £2,868m) principally reflecting an additional £1,110m (2013: £2,000m) net provision for PPI and interest rate hedging redress, a gain on US Lehman acquisition assets of £461m (2013:
£259m), a £1,250m provision for ongoing investigations and litigation relating to Foreign Exchange, a £446m loss on the announced sale of the Spanish business, and a £935m ESHLA valuation revision

The effective tax rate on adjusted profit before tax decreased to 31.0% (2013: 40.0%) and on statutory profit before tax increased to 62.5% (2013: 54.8%), principally due to non-deductible expenses, including the provision for ongoing investigations and litigation relating to Foreign Exchange. Additionally, the 2013 effective tax rate included a £440m write down of deferred tax assets in Spain

Adjusted group attributable profit was £2,779m (2013: £2,188m), increasing the adjusted Group return on average shareholders' equity to 5.1% (2013: 4.1%)

Core performance

Profit before tax increased 3% to £6,682m, as improvements in PCB and Barclaycard were partially offset by a reduction in the Investment Bank and currency movements impacting the reported results of Africa Banking

Income decreased 4% to £24,678m, reflecting a 12% reduction in the Investment Bank to £7,588m and a reduction in Africa Banking due to adverse currency movements, partially offset by growth in Barclaycard and PCB. Investment Bank Q414 income was down 7% to £1,666m relative to Q413 due to reduced client activity and lower volatility in Credit and Macro, which were down 25% and 14% respectively

Net interest income in PCB, Barclaycard and Africa Banking increased 4% to £11,435m driven by strong income growth in PCB and volume growth in Barclaycard, partially offset by a reduction in Africa Banking due to currency movements. This resulted in a net interest margin of 4.08% (2013: 4.02%)

Credit impairment charges improved 8% to £2,000m, reflecting lower impairments in PCB due to the improving UK economic environment, particularly impacting Corporate which benefitted from one-off releases and lower defaults from large UK Corporate clients, and reduced impairments in the Africa Banking South Africa mortgages portfolio. Q414 credit impairment charges increased to £573m (Q314: £509m) due to enhanced coverage for forbearance in Barclaycard

Total operating expenses decreased 6% to £16,058m, reflecting significant savings from Transform programmes across the businesses, partially offset by higher costs to achieve Transform of £953m (2013: £671m). Costs to achieve Transform increased in Q414 to £298m (Q314: £202m) predominantly within PCB, due to restructuring of the branch network and technology improvements to increase automation

Attributable profit decreased to £3,864m (2013: £4,078m), reflecting a higher effective tax rate principally due to the non-recurrence of a tax credit, which reduced the rate in 2013, and distributions to other equity holders in relation to Additional Tier 1 (AT1) instruments in 2014. Average allocated equity increased to £42bn (2013: £36bn), resulting in the Core return on equity decreasing to 9.2% (2013: 11.3%)

Non-Core performance

Loss before tax reduced 24% to £1,180m, reflecting:
- Lower income of £1,050m (2013: £2,293m) following assets and securities run-down, and business d