

**REGISTERED NUMBER: 02792480 (England and Wales)**

**CIC Holdings (Europe) Ltd.**

**Annual Report and Financial Statements for the year ended 31 December 2019**

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CIC Holdings (Europe) Ltd.

Annual Report and Financial Statements  
for the year ended 31 December 2019

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CIC Holdings (Europe) Ltd.

Company information  
for the year ended 31 December 2019

**DIRECTORS:** Jun Dong (appointed on 30/12/2019)  
Jinhai Geng (resigned on 30/12/2019)

**SECRETARY:** Chun Wing Law

**REGISTERED OFFICE:** 2 Finch Lane  
London  
EC3V 3NA

**REGISTERED NUMBER:** 02792480 (England and Wales)

**INDEPENDENT AUDITORS:** PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT

**BANKERS:** Bank of China (UK) Limited  
1 Lothbury  
London  
EC2R 7DB

## CIC Holdings (Europe) Ltd.

### Directors' report for the year ended 31 December 2019

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2019.

#### **Principal activities**

The principal activity of the Company is to engage in serving the Company's presence in Europe by operating as a holding company.

#### **Review of business**

The results of the Company for the year are set out on pages 7 to 9. The loss after tax of £12k (2018: loss £28k). The net asset position of the Company was £974k (2018: £986k). The loss was contributed by the expenses incurred during the year.

#### **Key performance indicators ('KPIs')**

	2019	2018
	£	£
Loss after tax	12k	28k
Current ratio	95:1	193:1
		Current assets/Current liabilities

#### **Dividends**

No dividends will be distributed for the year ended 31 December 2019 (2018: nil).

The director does not recommend the payment of a dividend for the year and the accumulated retained results will continue to be carried forward in the financial statements.

#### **Future outlook**

The directors consider that the Company's principal activity will continue unchanged into the foreseeable future.

#### **Going concern**

The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

#### **Director**

The directors shown below has held office during the year as below:

Jun Dong (appointed on 30/12/2019)

Jinhai Geng (resigned on 30/12/2019)

#### **Strategic Report**

The Company has taken an exemption from preparing a Strategic Report in accordance with Section 414B of the Companies Act 2006.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' report (continued)  
for the year ended 31 December 2019

**Disclosure of information to auditors**

Each of the persons who is a director at the date of this report confirms that:

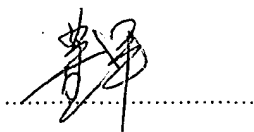
- As far as each of them is aware, there is no information relevant to the audit of the Company's financial statements for the year ended 31 December 2019 of which the auditors are unaware: and
- The director has taken all steps that he/she ought to have taken in his/her duty as a director in order to make him/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Change in independent auditors**

Pursuant to Section 487 of the Companies Act 2006, KPMG LLP will be appointed as auditors for the financial year end 2020.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board

A handwritten signature in black ink, appearing to be 'Jun Dong', is written over a horizontal dotted line.

Jun Dong  
Director  
17<sup>th</sup> December 2020

# ***Independent auditors' report to the members of CIC Holdings (Europe) Ltd***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, CIC Holdings (Europe) Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2019; the Statement of comprehensive income, and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## *Directors' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

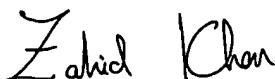
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Zahid Khan (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
18 December 2020



CIC Holdings (Europe) Ltd.

Statement of comprehensive income  
for the year ended 31 December 2019

	Note	2019 £	2018 £
Administrative expenses	2	(12,794)	(28,240)
Interest receivable and similar income		453	439
		<hr/>	<hr/>
<b>LOSS BEFORE TAXATION</b>	4	(12,341)	(27,801)
Tax on loss	5	-	-
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(12,341)</u>	<u>(27,801)</u>
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE EXPENSE</b>		<u>(12,341)</u>	<u>(27,801)</u>

All the amounts above are in respect of continuing operations.

The accounting policies and the notes on pages 10 to 14 form an integral part of these financial statements.

CIC Holdings (Europe) Ltd.

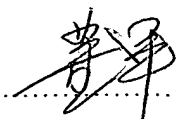
Balance sheet  
as at 31 December 2019

	Note	£	2019 £	£	2018 £
<b>CURRENT ASSETS</b>					
Cash at bank	6	979,140		984,414	
Other debtors	7	5,311		5,715	
Prepayments and accrued income		-		1,502	
		<u>984,451</u>		<u>991,631</u>	
<b>CREDITORS</b>					
Creditors - amounts falling due within one year	8	(10,309)		(5,148)	
		<u></u>		<u></u>	
<b>NET CURRENT ASSETS</b>			<u>974,142</u>		<u>986,483</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>974,142</u>		<u>986,483</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		10,723,747		10,723,747
Accumulated losses			<u>(9,749,605)</u>		<u>(9,737,264)</u>
<b>TOTAL EQUITY</b>			<u>974,142</u>		<u>986,483</u>

The accounting policies and the notes on pages 10 to 14 form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 14 were authorised for issue by the board of director on 17<sup>th</sup> December 2020 and were signed on its behalf.

  
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Jun Dong  
Director

CIC Holdings (Europe) Ltd.  
Registered no. 02792480

CIC Holdings (Europe) Ltd.

Statement of changes in equity  
for the year ended 31 December 2019

	Called up share capital	Accumulated losses	Total equity
	£	£	£
Balance as at 1 January 2018	10,723,747	(9,709,463)	1,014,284
Total comprehensive expense for the year	-	(27,801)	(27,801)
Balance as at 31 December 2018	10,723,747	(9,737,264)	986,483
Balance as at 1 January 2019	10,723,747	(9,737,264)	986,483
Total comprehensive expense for the year	-	(12,341)	(12,341)
Balance as at 31 December 2019	10,723,747	(9,749,605)	974,142

The accounting policies and the notes on pages 10 to 14 form an integral part of these financial statements.

## **1. ACCOUNTING POLICIES**

### **General Information**

CIC Holdings (Europe) Ltd. is a subsidiary of China Taiping Insurance Group (Hong Kong) Co., Limited ('Group'). The Company is a private company limited by shares and is incorporated in England. The address of its registered office is 2 Finch Lane, London, EC3V 3NA.

### **Statement of Compliance**

The financial statements of CIC Holdings (Europe) Ltd. have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of this financial statements are set out below. These policies are consistently applied, unless otherwise stated. The directors believe that there are no critical accounting judgements and estimation uncertainty.

### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, and certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of the financial statements is in conformity with FRS 102. The functional and presentational currency is British Pounds.

### **Going concern**

After making enquiries, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

### **Financial instruments and financial risk management**

The Company has chosen to apply the recognition and measurement provisions of IAS 39 (as adopted for use in the EU) and the disclosure requirements of FRS 102 in respect of financial instruments.

The business of the Company includes the use of financial instruments. Given the complexity of the business is low and low volume of transactions, exposures to risk relating to financial instruments are deemed as very low. Details of financial instruments are set out in note 7 to the financial statements.

### **Exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholder.

The Company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company (China Taiping Insurance Group Limited, the Group) includes the group's consolidated statement of cash flows in its own financial statements;
- from disclosing the Company key management personnel compensation in total;
- from preparing a reconciliation of the number of shares outstanding at the beginning and end of the period; and
- from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

### **Cash**

Cash and short-term deposits in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

CIC Holdings (Europe) Ltd.

Notes to financial statements - continued  
for the year ended 31 December 2019

**1. ACCOUNTING POLICIES (continued)**

**Called up share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Investment**

The Company held an investment in CIC (Deutschland) AG. This subsidiary was liquidated in 2015 and the holding was fully impaired in previous years.

**Foreign currencies**

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated into the Company's functional currency at the rates prevailing on the balance sheet date. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

**Debtors**

Debtors are non-interest bearing and are receivable within one year. Debtors are reviewed for impairment as part of the impairment review of loans and receivables. This basis of valuation is viewed by the directors as having prudent regard to the likely realisable value.

**Creditors**

Creditors are non-interest bearing and are settled within one year. When a financial liability is recognised initially it is measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial liability.

**Administrative expenses**

Administrative expenses comprise expenses relating to administrative items including bank charges, auditors' remuneration and storage fees.

**Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

**Prepayments and accrued income**

Prepayments and accrued income are initially recognised at cost, and amortised over the period of contract.

CIC Holdings (Europe) Ltd.

Notes to financial statements - continued  
for the year ended 31 December 2019

**2. ADMINISTRATIVE EXPENSES**

	2019 £	2018 £
<b>Expenditure</b>		
Advertisement	-	4,500
Audit fee	4,548	4,520
Bank charges	122	316
Foreign Exchange Difference	5,920	(5,758)
Travelling	-	827
Consultant expenses	600	8,100
Sundry expenses	1,503	1,465
Legal fees	88	676
Business expenses	13	13,594
	<hr/>	<hr/>
	12,794	28,240

**3. STAFF COSTS**

There were no staff costs for the year ended 31 December 2019 (2018: nil). All employees are contracted by the parent company.

**4. LOSS BEFORE TAXATION**

The loss before taxation is stated after charging:

The total remuneration payable by the Company to its auditors, PricewaterhouseCoopers LLP, is shown below. No non-audit services were provided to the Company (2018: £nil).

	2019 £	2018 £
Fee payable for the audit of the Company's financial statements	4,548	4,548
Fee payable for audit-related assurance services	-	-
	<hr/>	<hr/>
Director' remuneration	-	-
	<hr/>	<hr/>

The directors were remunerated during the year for their roles as employees across the Group. They were not remunerated directly for their services as directors of this Company and no cost is borne by the Company for these services.

CIC Holdings (Europe) Ltd.

Notes to financial statements - continued  
for the year ended 31 December 2019

**5. TAX ON LOSS**

**(a) Tax charged to the profit or loss**

(i) The total tax charge comprises:

	2019 £	2018 £
Current tax	-	-
Total tax charge	-	-

(ii) There were no unrecognised tax losses and no temporary differences of previous years used to reduce the current tax expense in either 2019 or 2018.

**(b) Tax reconciliation**

The tax on the Company's loss before tax is the same as the theoretical amount that would arise using the tax rate in the UK as follows:

	2019 £	2018 £
Loss on ordinary activities before tax	(12,341)	(27,801)
Loss multiplied by the standard rate of tax in the UK of 19% (2018: 19%)	(2,345)	(5,282)
Effects of:		
- Deferred tax asset not recognised on losses carry forward	2,345	5,282
Tax charge for the year	-	-

The current tax rate for the year is 19.00% (2018: 19%). The rate of corporation tax changed to 19% with effect from 1 April 2017. Finance Act 2016, which received Royal Assent on 15 September 2016, will reduce the corporation tax rate further to 17% from 1 April 2020. In the Budget of 11 March 2020, the UK Government reversed this rate reduction, announcing that the UK corporation tax will remain at 19% from 1 April 2020 and this was substantively enacted on 17 March 2020.

**6. CASH AND DEPOSITS**

	2019 £	2018 £
Deposit at Bank	245,705	248,169
Cash at Bank	733,376	736,186
Cash in hand	59	59
	979,140	984,414

The Company is exposed to credit risks primarily associated with bank deposits and cash at bank. The maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at the end of the reporting period is the carrying amount of the assets. Those are held with highly rated banking institution with S&P rating of A.

CIC Holdings (Europe) Ltd.

Notes to financial statements - continued  
for the year ended 31 December 2019

**7. Other debtors**

	2019	2018
	£	£
Other debtors	2,699	2,767
Amounts due from group undertakings	2,612	2,948
	<u>5,311</u>	<u>5,715</u>

Other debtors are not subject to interest and payable on demand.

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Other creditors, accruals and deferred income	5,761	600
Fee payable for the audit of the Company's financial statements	4,548	4,548
	<u>10,309</u>	<u>5,148</u>

Amounts owed to group undertakings are not subject to interest and payable on demand.

**9. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
10,723,747	Ordinary	£1	<u>10,723,747</u>	<u>10,723,747</u>

**10. ULTIMATE CONTROLLING PARTY**

At 31 December 2019, the Company's ultimate parent undertaking and controlling party is China Taiping Insurance Group limited (the Group), a Company incorporated in the Peoples' Republic of China. Copies of the group consolidated financial statements are obtainable from its registered office at Room 3-905, Building 2, 4 Guangcheng Street, Xicheng District, Beijing, and Peoples' Republic of China.

The Company's immediate parent undertaking is China Taiping Insurance Group (Hong Kong) Co., Limited, a company incorporated in Hong Kong, registered office at 22/F, China Taiping Tower, 8 Sunning Road, Causeway Bay, Hong Kong. This is the parent company of the smallest group into which the results of CIC Holdings (Europe) Ltd. are consolidated.

**11. SUBSEQUENT EVENTS**

In March 2020, the World Health Organisation declared Coronavirus (COVID-19) to be a global pandemic. This is a non-adjusting post balance sheet event and as such the results as at 31 December 2019 have not been updated. Consideration has been given to the potential risks and uncertainties, including both operational and financial risks, up to the date of approving these financial statements. This pandemic disease is widely spread and the UK government are taking preventative actions such as closure of certain businesses, restrictions on public travel and gatherings, and cancelling events, in an attempt to slow down the transmission of the disease. The Company is operating in accordance with UK government advice and is closely monitoring the situation to manage its financial and operational risks. The directors are monitoring its business activities to ensure the Company's stakeholders and business processes continue to be supported and that operational risks are being addressed. The Company has limited exposure to the virus given that majority of the assets are cash at bank and fixed deposits.