

REGISTERED NUMBER: 02792480 (England and Wales)

CIC Holdings (Europe) Ltd.
Annual Report and Financial Statements for the year ended 31 December 2018



CIC Holdings (Europe) Ltd.

Annual Report and Financial Statements
for the year ended 31 December 2018

Contents

	Page
Company information	1
Strategic report	2
Directors' report	3
Independent auditors' report	5
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to financial statements	10

CIC Holdings (Europe) Ltd.

Company information
for the year ended 31 December 2018

DIRECTOR:

Jinhai Geng

SECRETARY:

Yinghong Zou (resigned on 24/10/2018)
Chun Wing Law (appointed on 04/10/2018)

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.

Strategic report

for the year ended 31 December 2018

Business review

CIC Holdings (Europe) Ltd. (the 'Company') was a holding company of a German subsidiary engaged in running off activities in Europe. The German based subsidiary ceased trading and was liquidated in 2015. The results for the year and financial position of the Company are as shown in the annexed financial statements.

Results and performance

The results of the Company for the year are set out on pages 7 to 9. The loss after tax of £28k (2017: loss £37k. The net asset position of the Company was £986k (2017: £1,014k). The loss was contributed by the expenses incurred during the year.

Key performance indicators ('KPIs')

	2018	2017
	£	£
Loss after tax	28k	37k
Current ratio	193:1	181:1
		Current assets/Current liabilities

Principal risks and uncertainties

The Company is exposed to financial risk through its monetary assets and liabilities. The most important component is liquidity risk. Liquidity risk is the risk that cash may not be available to pay obligations as they fall due. The Company aims to hold sufficient cash and cash equivalents to meet the necessary obligations.

Future developments

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

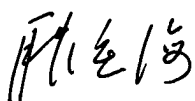
Directors

The directors are listed on page 1 of the financial statements, and have held office from 1 January 2018 to the date the Annual Report and financial statements were approved. None of the Directors hold any interests in any shares of the Company.

Going concern

Having assessed the principal risks, the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

On behalf of the Board



Jinhai Geng

Director

Date:

10/09/2019

CIC Holdings (Europe) Ltd.

Directors' report
for the year ended 31 December 2018

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2018.

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 for the year and financial position of the Company are as shown in the annexed financial statements, and is discussed in the Strategic report.

Dividends

No dividends will be distributed for the year ended 31 December 2018 (2017: 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

Likely future developments in the business of the Company are discussed in the strategic report.

Director

The director shown below has held office during the whole of the period from 1 January 2018 to the date of this report.

J H Geng

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 2018

Disclosure of information to auditors

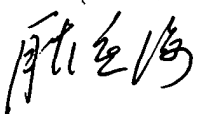
Each of the persons who is a director at the date of this report confirms that:

- 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 2018 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.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the Board



Jinhai Geng
Director

Date: 10/09/2019

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

Report on the audit of the financial statements

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 2018 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 2018; the statement of comprehensive income, 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.

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.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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.

Independent auditors' report to the members of CIC Holdings (Europe) Ltd. (continued)

With respect to the Strategic Report and 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.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 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 Strategic Report and Directors' Report.

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. 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.

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.

Zahid Khan

Zahid Khan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
10 September 2019

CIC Holdings (Europe) Ltd.

Statement of comprehensive income
for the year ended 31 December 2018

	Note	2018 £	2017 £
Administrative expenses	2	(28,240)	(37,552)
Interest income		<u>439</u>	<u>453</u>
LOSS BEFORE TAXATION	4	(27,801)	(37,099)
Tax on loss	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(27,801)</u>	<u>(37,099)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE EXPENSE		<u>(27,801)</u>	<u>(37,099)</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 2018

	Note	£	2018 £	£	2017 £
CURRENT ASSETS					
Deposit at bank	6	248,169		242,974	
Cash at bank	6	736,186		771,776	
Cash in hand	6	59		59	
Other debtors		5,715		3,640	
Prepayments and accrued income		1,502		1,464	
		<u>991,631</u>		<u>1,019,913</u>	
CREDITORS					
Creditors - amounts falling due within one year	7	(5,148)		(5,629)	
		<u></u>		<u></u>	
NET CURRENT ASSETS			<u>986,483</u>		<u>1,014,284</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>986,483</u>		<u>1,014,284</u>
CAPITAL AND RESERVES					
Called up share capital	8		10,723,747		10,723,747
Accumulated losses			(9,737,264)		(9,709,463)
TOTAL EQUITY			<u>986,483</u>		<u>1,014,284</u>

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

The financial statements on pages 7 to 14 were authorised for issue by the board of director on 10/09/2019 and were signed on its behalf.



Jinhai Geng
Director

CIC Holdings (Europe) Ltd.
Registered no. 02792480

CIC Holdings (Europe) Ltd.

Statement of changes in equity
for the year ended 31 December 2018

	Called up share capital	Accumulated losses	Total equity
	£	£	£
Balance as at 1 January 2017	10,723,747	(9,672,364)	1,051,383
Total comprehensive expense for the year	-	(37,099)	(37,099)
Balance as at 31 December 2017	10,723,747	(9,709,463)	1,014,284
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

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

CIC Holdings (Europe) Ltd.

Notes to financial statements for the year ended 31 December 2018

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 financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

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.

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 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.

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.

1. ACCOUNTING POLICIES (continued)

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.

Creditors

Creditors are non-interest bearing and are settled within one year.

Administrative expenses

Administrative expenses comprise expenses relating to administrative staff and management, including office costs and salaries.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, 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.

2. ADMINISTRATIVE EXPENSES

Loss before taxation is stated after charging:

	2018 £	2017 £
Administrative expenses charged include:		
Advertisement	4,500	-
Travelling	827	1,450
Consultant expenses	8,100	4,452
Sundry expenses	1,465	1,605
Legal fees	676	206
Business expenses	13,594	19,392
Bank charges	316	216
Foreign Exchange Difference	<u>(5,758)</u>	<u>5,426</u>

3. STAFF COSTS

There were no staff costs for the year ended 31 December 2018 (2017: nil). All employees are contracted by the parent company. Disclosures relating to employees may be found in the annual report and financial statements of 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.

	2018 £	2017 £
Fee payable for the audit of the Company's financial statements	4,548	4,373
Fee payable for audit-related assurance services	<u>-</u>	<u>-</u>
Director' remuneration	<u>-</u>	<u>-</u>

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.

5. TAX ON LOSS

(a) Tax charged to the profit or loss

(i) The total tax charge comprises:

	2018 £	2017 £
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 2018 or 2017.

(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:

Loss on ordinary activities before tax	(27,801)	(37,099)
Loss multiplied by the standard rate of tax in the UK of 19% (2017: 19.25%)	(5,282)	(7,142)
Effects of:		
- Deferred tax asset not recognised on losses carry forward	5,282	7,142
Tax charge for the year	-	-

The current tax rate for the year is 19.00% (2017: 19.25%). In addition to this, a further reduction to the UK corporation tax rate was announced in the March 2016 Budget which reduce the rate to 17% from 1 April 2020. There is no current year impact on the Company's net assets from the future reduction in the tax rate, as the Company does not have any recognised or unrecognised deferred tax balances.

6. CASH AND DEPOSITS

	2018 £	2017 £
Deposit at Bank	248,169	242,974
Cash at Bank	736,186	771,776
Cash in hand	59	59

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. They are held with highly rated banking institution with S&P rating of A.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Other creditors	600	1,229
Accruals and deferred income	4,548	4,400
	<u>5,148</u>	<u>5,629</u>

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
10,723,747	Ordinary	£1	<u>10,723,747</u>	<u>10,723,747</u>

9. ULTIMATE CONTROLLING PARTY

At 31 December 2018, the Company's ultimate parent undertaking and controlling party is China Taiping Insurance Group limited, 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.

10. SUBSEQUENT EVENTS

There were no adjusting and non-adjustment events that arose after the reporting period.