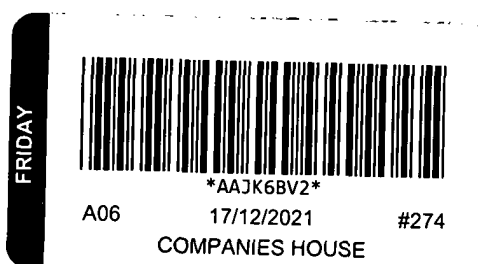


REGISTERED NUMBER: 02792480 (England and Wales)

**CIC Holdings (Europe) Ltd.**

Annual Report and Financial Statements for the year ended 31 December 2020



CIC Holdings (Europe) Ltd.

Annual Report and Financial Statements  
for the year ended 31 December 2020

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CIC Holdings (Europe) Ltd.

Company information  
for the year ended 31 December 2020

**DIRECTORS:**

Jun Dong

**SECRETARY:**

Chun Wing Law

**REGISTERED OFFICE:**

2 Finch Lane  
London  
EC3V 3NA

**REGISTERED NUMBER:**

02792480 (England and Wales)

**INDEPENDENT AUDITORS:**

KPMG LLP  
  
15 Canada Square  
  
London  
  
E14 5GL

**BANKERS:**

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

CIC Holdings (Europe) Ltd.

Directors' report  
for the year ended 31 December 2020

The directors present their report with the audited financial statements of the Company for the year ended 31 December 2020.

**Principal activities**

During the year ended 31 December 2020, the principal activity of the Company was to engage in serving China Taiping Insurance Group (HK) Company Limited's presence in Europe by operating as a holding company. However, on 18 August 2021 the directors took the decision to cease trading following several years of inactivity. As the directors intend to liquidate the company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

**Review of business**

The results of the Company for the year are set out on pages 7 to 9. The loss after tax of £17k (2019: loss £12k). The net asset position of the Company was £956k (2019: £974k). The expenses incurred during the year contributed to the loss.

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

	2020	2019
	£	£
Loss after tax	17k	12k
Current ratio	36:1	95:1
		Current assets/Current liabilities

**Dividends**

No dividends will be distributed for the year ended 31 December 2020 (2019: nil).

The directors do 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.

**Going concern**

On 18 August 2021, the directors took the decision to close down the entity due to inactivity. As the directors intend to liquidate the company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. This has not had any material impact on the amounts recognised in the financial statements.

**Director**

The director shown below has held office during the year:

Jun Dong

**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
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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.

**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 2020 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



Jun Dong  
Director  
2<sup>nd</sup> December 2021

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIC HOLDINGS (EUROPE) LIMITED**

## **Opinion**

We have audited the financial statements of CIC Holdings (Europe) Limited ("the company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

*In our opinion the financial statements:*

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Emphasis of matter - non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

## **Fraud and breaches of laws and regulations – ability to detect**

### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and senior management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition based on the nature of the Company's activities as a holding company with no revenue other than interest income from bank deposits.

We did not identify any additional fraud risks.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIC HOLDINGS (EUROPE) LIMITED**

## **Fraud and breaches of laws and regulations – ability to detect (continued)**

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

## **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

## **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIC HOLDINGS (EUROPE) LIMITED**

## **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


## **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Maddams (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL  
02 December 2021



CIC Holdings (Europe) Ltd.

Statement of comprehensive income  
for the year ended 31 December 2020

	Note	2020 £	2019 £
Administrative expenses		(17,646)	(12,794)
Interest receivable and similar income		358	453
		<hr/>	<hr/>
<b>LOSS BEFORE TAXATION</b>	3	(17,288)	(12,341)
Tax on loss	4	-	-
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(17,288)</u>	<u>(12,341)</u>
Other comprehensive income		-	-
		<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE EXPENSE</b>		<u>(17,288)</u>	<u>(12,341)</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.

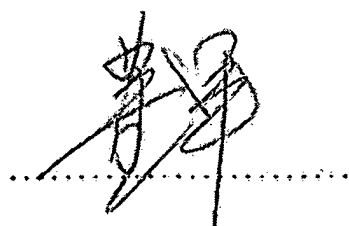
Balance sheet  
as at 31 December 2020

	Note	£	2020 £	£	2019 £
<b>CURRENT ASSETS</b>					
Cash at bank	5	978,815		979,140	
Other debtors	6	<u>5,506</u>		<u>5,311</u>	
		984,321		984,451	
<b>CREDITORS</b>					
Creditors - amounts falling due within one year	7	<u>(27,467)</u>		<u>(10,309)</u>	
<b>NET CURRENT ASSETS</b>			<u>956,854</u>		<u>974,142</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			956,854		974,142
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		10,723,747		10,723,747
Accumulated losses			<u>(9,766,893)</u>		<u>(9,749,605)</u>
<b>TOTAL EQUITY</b>			<u>956,854</u>		<u>974,142</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 2<sup>nd</sup> December 2021 and were signed on its behalf.



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 2020

	Called up share capital	Accumulated losses	Total equity
	£	£	£
Balance as at 1 January 2019	10,723,747	(9,737,264)	986,483
Loss for the year	-	(12,341)	(12,341)
Other comprehensive income	-	-	-
Balance as at 31 December 2019	10,723,747	(9,749,605)	974,142
Balance as at 1 January 2020	10,723,747	(9,749,605)	974,142
Loss for the year	-	(17,288)	(17,288)
Other comprehensive income	-	-	-
Balance as at 31 December 2020	10,723,747	(9,766,893)	956,854

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**

In previous years, the financial statements have been prepared on a going concern basis. However, on 18 August 2021 the directors took the decision to close down the entity due to inactivity. Accordingly, the directors have not prepared the financial statements on a going concern basis. This has not had any material impact on the amounts recognised in the financial statements.

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

### **Going concern**

On 18 August 2021, the directors decided to start the process of closing down the Company due to several years of inactivity. Therefore, the financial statements have been prepared on a non-going-concern basis.

### **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 6 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 2020

**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 2020

## **2. STAFF COSTS**

There were no staff costs for the year ended 31 December 2020 (2019: nil). All employees are contracted by the parent company.

## **3. LOSS BEFORE TAXATION**

The loss before taxation is stated after charging:

The total remuneration payable by the Company to its auditors, KPMG LLP, is shown below. No non-audit services were provided to the Company (2019: nil).

	2020 £	2019 £
Fee payable for the audit of the Company's financial statements	2,980	4,548

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.

#### 4. TAX ON LOSS

##### (a) Tax charge to the profit or loss

There were no unrecognised tax losses and no temporary differences arising from previous years used to reduce the current tax expense during the year (2019: nil).

##### (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:

	2020	2019
	£	£
Loss on ordinary activities before tax	(14,288)	(12,341)
Loss multiplied by the standard rate of tax in the UK of 19 % (2019: 19%)	(2,715)	(2,345)
Effects of:		
- Deferred tax asset not recognised on losses carry forward	2,715	2,345
	<hr/>	<hr/>
Tax charge for the year	-	-

The current tax rate for the year is 19.00% (2019: 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.

#### 5. CASH AND DEPOSITS

	2020	2019
	£	£
Deposit at Bank	243,155	245,705
Cash at Bank	735,601	733,376
Cash in hand	59	59
	<hr/>	<hr/>
	978,815	979,140

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 2020

**6. OTHER DEBTORS**

	2020	2019
	£	£
Other debtors	2,744	2,699
Amounts due from group undertakings	2,762	2,612
	<u>5,506</u>	<u>5,311</u>

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

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

	2020	2019
	£	£
Other creditors, accruals and deferred income	12,487	5,761
Fee payable for the audit of the Company's financial statements	2,980	4,548
	<u>15,467</u>	<u>10,309</u>

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

**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
		£1	£	£
10,723,747	Ordinary		<u>10,723,747</u>	<u>10,723,747</u>

**9. ULTIMATE CONTROLLING PARTY**

At 31 December 2020, 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.

**10. SUBSEQUENT EVENTS**

Consideration has been given to the potential risks and uncertainties of the global pandemic Coronavirus (COVID-19), including both operational and financial risks, up to the date of approving these financial statements. Since March 2020, this pandemic disease has been widely spread and the UK government has been 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 all current liabilities are to group undertakings.