

KAICAN SERVICES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

KAICAN SERVICES LIMITED

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KAICAN SERVICES LIMITED

COMPANY INFORMATION

Directors	R T Langstaff G Angelides
Registered number	08771923
Registered office	17 Cavendish Square London W1G 0PH
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

KAICAN SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Directors

The directors who served during the year were:

D Cain (resigned 1 June 2020)

R T Langstaff

G Angelides (appointed 1 June 2020)

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

In January 2021 the company transferred ownership of its subsidiary undertaking Kaican Hellas S.A. to its immediate parent undertaking Cepal Services and Holdings S.A.

Small companies exemptions

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

G Angelides

Director

Date: 23 December 2021

KAICAN SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

KAICAN SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAICAN SERVICES LIMITED FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Kaican Services Limited (the 'company') for the year ended 31 December 2020, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

KAICAN SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAICAN SERVICES LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

KAICAN SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAICAN SERVICES LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Responsibilities of directors

As explained more fully in the directors' responsibilities 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, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the consultancy, advisory and tax sectors;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

KAICAN SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAICAN SERVICES LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- inspecting legal documentation for indications of non-compliance with laws and regulations; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's directors, 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 directors 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 directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Nils Schmidt-Soltau (senior statutory auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Chartered Accountants

Statutory Auditor

16 Great Queen Street

Covent Garden

London

WC2B 5AH

Date: 23 December 2021

KAICAN SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Turnover	1,126,797	1,310,580
Administrative expenses	(1,365,805)	(1,380,394)
Other operating income	10,000	-
	<hr/>	<hr/>
Loss before tax	(229,008)	(69,814)
Tax on loss	46,727	11,353
	<hr/>	<hr/>
Loss for the financial year	<u>(182,281)</u>	<u>(58,461)</u>

There are no items of other comprehensive income for either the year or the prior year other than the loss for the year. Accordingly, no statement of other comprehensive income has been presented.

KAICAN SERVICES LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	2,136	4,781
Investments	12	20,843	20,843
		<u>22,979</u>	<u>25,624</u>
Current assets			
Debtors: amounts falling due within one year	13	148,273	486,124
Cash at bank and in hand	14	446,435	350,369
		<u>594,708</u>	<u>836,493</u>
Creditors: amounts falling due within one year	15	(255,421)	(317,570)
Net current assets		<u>339,287</u>	<u>518,923</u>
Total assets less current liabilities		<u>362,266</u>	<u>544,547</u>
Net assets		<u>362,266</u>	<u>544,547</u>
Capital and reserves			
Called up share capital	17	1	1
Profit and loss account	18	362,265	544,546
Total equity		<u>362,266</u>	<u>544,547</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

G Angelides

Director

Date: 23 December 2021

The notes on pages 11 to 23 form part of these financial statements.

KAICAN SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	1	603,007	603,008
Comprehensive income for the year			
Loss for the year	-	(58,461)	(58,461)
	<hr/>	<hr/>	<hr/>
At 1 January 2020	1	544,546	544,547
Comprehensive income for the year			
Loss for the year	-	(182,281)	(182,281)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	<u>1</u>	<u>362,265</u>	<u>362,266</u>

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Kaican Services Limited provides consultancy services.

The company is a private company limited by shares incorporated in England and Wales. The address of its registered office and principal place of business is 17 Cavendish Square, London, W1G 0PH.

The financial statements are presented in Sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company was, at the end of the year, a wholly-owned subsidiary of Alpha Bank A.E., a company incorporated in the EEA, whose registered address is 40 Stadiou Str., 102 52 Athens, Greece. In accordance with the exemption given in Section 400 of the Companies Act 2006, the company is not required to produce, and has not published, consolidated accounts.

The company's ultimate parent undertaking, Alpha Bank A.E., includes the company in its consolidated financial statements. The consolidated financial statements of Alpha Bank A.E. are prepared in accordance with International Financial Reporting Standards (as adopted in the European Union) and may be obtained from 40 Stadiou Str., 102 52 Athens, Greece.

Accordingly, the company is considered to be a qualifying entity (for the purposes of FRS102) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- exemption from the requirement to present a statement of cash flows (Section 7 statement of cash flows and Section 3 financial statement presentation paragraph 3.17(d));
- exemption from the requirement of Section 33 related party disclosures to disclose aggregate key management personnel compensation.

The following principal accounting policies have been applied:

2.2 Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The directors have also considered the impact of the Coronavirus pandemic and the ensuing restrictions on the company and the Cepal Holdings group. Having considered post year end trading and the financial results and cash reserves of the company and the group, and after making enquiries of the management of the parent undertaking, the directors have a reasonable expectation that the pandemic will not have an adverse effect on the company's and the group's ability to continue as a going concern.

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Revenue recognition

Turnover comprises revenue recognised by the company in respect of services provided during the year, exclusive of value added tax.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	33%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.7 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.11 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Consultancy	<u>1,126,797</u>	<u>1,310,580</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	1,500	154,500
Rest of Europe	<u>1,125,297</u>	<u>1,156,080</u>
	<u>1,126,797</u>	<u>1,310,580</u>

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

4. Other operating income

	2020 £	2019 £
Government grants receivable	<u>10,000</u>	<u>-</u>

5. Operating loss

The operating loss is stated after charging:

	2020 £	2019 £
Exchange differences	(47,062)	55,322
Other operating lease rentals	<u>47,395</u>	<u>47,032</u>

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	8,300	8,300
All other services	5,700	-
	<u>5,700</u>	<u>-</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	182,274	416,991
Social security costs	29,062	74,468
	<u>211,336</u>	<u>491,459</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Directors	<u>1</u>	<u>2</u>

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Employees

The average monthly number of employees, including directors, during the year was 2 (2019 - 2).

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	<u>182,274</u>	<u>416,991</u>

10. Taxation

	2020 £	2019 £
Current tax on profits for the year	-	1,682
Adjustments in respect of previous periods	(1,682)	-
Total current tax	<u>(1,682)</u>	<u>1,682</u>
Deferred tax		
Origination and reversal of timing differences	(45,045)	(13,035)
Total deferred tax	<u>(45,045)</u>	<u>(13,035)</u>
Taxation on loss on ordinary activities	<u>(46,727)</u>	<u>(11,353)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 -higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	<u>(229,008)</u>	<u>(69,814)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 -19%)	(43,512)	(13,265)
Effects of:		
Other differences leading to an increase in the tax charge	(3,215)	1,912
Total tax on loss for the year	<u>(46,727)</u>	<u>(11,353)</u>

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Taxation (continued)

Factors that may affect future tax charges

In the Spring Budget 2021 on 3 March 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% for companies with profits of over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. From this date companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. This new law was substantively enacted on 24 May 2021.

As the proposal to increase the rate had not been substantively enacted at the balance sheet date, its effects on the measurement of deferred tax that had been measured at the previously enacted 19% rate, has been included in these financial statements.

11. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2020	32,612
At 31 December 2020	<u>32,612</u>
Depreciation	
At 1 January 2020	27,831
Charge for the year	2,645
At 31 December 2020	<u>30,476</u>
Net book value	
At 31 December 2020	<u><u>2,136</u></u>
At 31 December 2019	<u><u>4,781</u></u>

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Fixed asset investments

	Investment in subsidiary company £
Cost	
At 1 January 2020	20,843
At 31 December 2020	<u>20,843</u>
Net book value	
At 31 December 2020	<u>20,843</u>
At 31 December 2019	<u>20,843</u>
Subsidiary undertaking	

The following was a subsidiary undertaking of the company:

Name	Registered office	Principal activity	Class of shares	Holding
Kaican Hellas S.A.	209-211 Syggrou Avenue, 17121 New Smyrni, Greece	Consultancy	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2020 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit
Kaican Hellas S.A.	148,978	5,801

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Debtors

	2020 £	2019 £
Trade debtors	-	29,575
Amounts owed by group undertakings	-	394,050
Other debtors	64,075	23,484
Prepayments and accrued income	26,118	25,980
Deferred taxation	58,080	13,035
	<u>148,273</u>	<u>486,124</u>

14. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>446,435</u>	<u>350,369</u>

15. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	224,701	259
Amounts owed to group undertakings	-	36,478
Other taxation and social security	-	4,808
Accruals and deferred income	30,720	276,025
	<u>255,421</u>	<u>317,570</u>

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16. Deferred taxation

	2020 £
At beginning of year	13,035
Charged to profit or loss	45,045
	<hr/>
At end of year	58,080
	<hr/> <hr/>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(406)	(813)
Tax losses carried forward	58,486	-
Other short-term timing differences	-	13,848
	<hr/>	<hr/>
	58,080	13,035
	<hr/> <hr/>	<hr/> <hr/>

17. Share capital

	2020 £	2019 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1.00	<hr/> <hr/> 1	<hr/> <hr/> 1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

18. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

KAICAN SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	<u>11,844</u>	<u>11,844</u>

20. Ultimate parent undertaking and controlling party

The immediate parent undertaking and parent of the smallest group for which consolidated financial statements are drawn up is headed by Cepal Holdings S.A. whose registered office is Syggrou 209-211, 171 21 Nea Smyrni, Greece.

At the balance sheet date the ultimate parent undertaking was Alpha Bank A.E., a company incorporated in Greece. Copies of the consolidated financial statements are available from 40 Stadiou Str., 102 52 Athens, Greece.

At the date of the approval of the financial statements the ultimate parent undertaking is Davidson Kempner European Partners LP.

In the opinion of the directors there is no ultimate controlling party.

21. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

Transactions with other related parties are as follows:

Relationship	Transaction	Amount due (to)/from related parties			
		Amount		2020	2019
		2020 £	2019 £	2020 £	2019 £
Common director	Sales	1,500	154,500	-	-
	Consultancy expenses	(283,721)	-	-	-

22. Post balance sheet events

In January 2021 the company transferred ownership of its subsidiary undertaking Kaican Hellas S.A. to its immediate parent undertaking Cepal Services and Holdings S.A.

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