

BCC Financial Limited

Original (signed)

*Report and
financial
statements*

31 December 2014



BCC Financial Limited

Report and financial statements 31 December 2014

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BCC Financial Limited

Board of Directors and other officers

Board of Directors

Panayiota Constantinou
Maria Damianou
Jonathan Jacob Van der Linden

Company Secretary

Meritservus Secretaries Ltd
Eftapaton Court
256, Makarios Avenue
CY-3301, Limassol
Cyprus

Registered office

Manoli Kalomoiri
1st Floor, Flat/Office 202
CY-3030 Limassol
Cyprus

BCC Financial Limited

Report of the Board of Directors

1 The Board of Directors presents its report together with the audited financial statements of the Company for the year ended 31 December 2014.

Principal activities

2 The principal activities of the Company, which are unchanged from prior year, is that of financing, including any interest earning activities.

3 The Company is an independent company which is used as an international cash pool for Christian organisations. BCC Financial Limited is not acting as a bank on the open market but only as an internal cash pooling company for the entities in its network.

Review of developments, position and performance of the Company's business

4 The profit of the Company for the year ended 31 December 2014 was €128.973 (2013: profit of €1.976.027). On 31 December 2014 the total assets of the Company were €88.480.041 (2013: €89.741.577) and the net assets were €3.469.795 (2013: net assets €3.340.822). The financial position, development and performance of the Company as presented in these financial statements are considered satisfactory.

Principal risks and uncertainties

5 The principal risks and uncertainties faced by the Company are disclosed in Note 3 of the financial statements.

Future developments of the Company

6 The Board of Directors does not expect any significant changes or developments in the operations, financial position and performance of the Company in the foreseeable future.

Results

7 The Company's results for the year are set out on page 6. The Board of Directors does not recommend the payment of a dividend and the profit for the year is retained.

Share capital

8 There were no changes in the share capital of the Company.

BCC Financial Limited

Report of the Board of Directors (continued)

Board of Directors

9 The members of the Board of Directors at 31 December 2014 and at the date of this report are shown on page 1. All of them were members of the Board throughout the year 2014.

10 In accordance with the Company's Articles of Association all members of the Board retire at the next Annual General Meeting and, being eligible, offer themselves for re-election.

11 There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the balance sheet date

12 There were no material post balance sheet events, which have a bearing on the understanding of the financial statements.

Branches

13 The Company did not operate through any branches during the year.

Independent Auditors

14 The Independent Auditors, PricewaterhouseCoopers Limited, have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board



Panayiota Constantinou
Director

Limassol,
13 October 2015



Independent auditor's report

To the Members of BCC Financial Limited

Report on the financial statements

We have audited the accompanying financial statements of BCC Financial Limited (the "Company"), which comprise the balance sheet as at 31 December 2014, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of BCC Financial Limited as at 31 December 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

PricewaterhouseCoopers Ltd, City House, 6 Karaïskakis Street, CY-3032 Limassol, Cyprus
P O Box 53034, CY-3300 Limassol, Cyprus
T: +357 - 25 555 000, F: +357 - 25 555 001, www.pwc.com/cy

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Report on other legal requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

A handwritten signature in blue ink, appearing to be 'Theodoros Stylianou', written over a horizontal line.

Theodoros Stylianou
Certified Public Accountant and Registered Auditor
for and on behalf of

PricewaterhouseCoopers Limited
Certified Public Accountants and Registered Auditors

Limassol, 13 October 2015

BCC Financial Limited

Statement of comprehensive income

	Note	2014 €	2013 €
Loan interest income	4	2.681.573	2.879.203
Loan interest expense	5	<u>(2.202.489)</u>	<u>(2.431.685)</u>
Net interest income		479.084	447.518
Administrative expenses		(100.861)	(93.942)
Other income	6	7.395	7.295
Other (losses)/gains - net	7	<u>(237.188)</u>	<u>1.680.298</u>
Operating profit		148.430	2.041.169
Finance costs	9	<u>(222)</u>	<u>(3.198)</u>
Profit before income tax		148.208	2.037.971
Income tax expense	10	<u>(19.235)</u>	<u>(61.944)</u>
Profit and total comprehensive income for the year		<u>128.973</u>	<u>1.976.027</u>

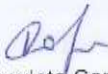
The notes on pages 10 to 30 are an integral part of these financial statements.


BCC Financial Limited

Balance sheet at 31 December 2014

	Note	2014 €	2013 €
Assets			
Non-current assets			
Property, plant and equipment	13	2.223	4.245
Intangible assets	14	3.789	7.577
Loans receivable	15	<u>5.783.511</u>	<u>9.251.007</u>
		<u>5.789.523</u>	<u>9.262.829</u>
Current assets			
Loans receivable	15	80.045.584	75.938.891
Other receivables	16	1.708.878	32.413
Tax refundable		8.890	-
Cash and bank balances	17	<u>927.166</u>	<u>4.507.444</u>
		<u>82.690.518</u>	<u>80.478.748</u>
		<u>88.480.041</u>	<u>89.741.577</u>
Total assets			
Equity and liabilities			
Capital and reserves			
Share capital	18	18.810	18.810
Share premium	18	998.290	998.290
Retained earnings		<u>2.452.695</u>	<u>2.323.722</u>
		<u>3.469.795</u>	<u>3.340.822</u>
Total equity			
Non-current liabilities			
Borrowings	19	<u>68.286.174</u>	<u>60.297.984</u>
Current liabilities			
Other payables	20	30.089	67.232
Current income tax liabilities		-	49.444
Borrowings	19	15.434.367	25.986.095
Derivative financial instruments	21	<u>1.259.616</u>	<u>-</u>
		<u>16.724.072</u>	<u>26.102.771</u>
		<u>85.010.246</u>	<u>86.400.755</u>
		<u>88.480.041</u>	<u>89.741.577</u>
Total liabilities			
Total equity and liabilities			

On 13 October 2015 the Board of Directors of BCC Financial Limited authorised these financial statements for issue.


Panayiota Constantinou, Director


Maria Damianou, Director

The notes on pages 10 to 30 are an integral part of these financial statements.

BCC Financial Limited

Statement of changes in equity for the year ended 31 December 2014

	Note	Share capital €	Share premium €	Retained earnings €	Total €
Balance at 1 January 2013		<u>17.100</u>	<u>-</u>	<u>347.695</u>	<u>364.795</u>
Comprehensive income					
Profit for the year		<u>-</u>	<u>-</u>	<u>1.976.027</u>	<u>1.976.027</u>
Transactions with owners					
Issue of shares	18	<u>1.710</u>	<u>998.290</u>	<u>-</u>	<u>1.000.000</u>
Balance at 31 December 2013/1 January 2014		<u>18.810</u>	<u>998.290</u>	<u>2.323.722</u>	<u>3.340.822</u>
Comprehensive income					
Profit for the year		<u>-</u>	<u>-</u>	<u>128.973</u>	<u>128.973</u>
Balance at 31 December 2014		<u>18.810</u>	<u>998.290</u>	<u>2.452.695</u>	<u>3.469.795</u>

The notes on pages 10 to 30 are an integral part of these financial statements.

BCC Financial Limited

Statement of cash flows

	Note	2014 €	2
Cash flows from operating activities			
Profit before income tax		148.208	2.037.
Adjustments for:			
Depreciation of property, plant and equipment	13	2.022	2.
Amortisation of intangible assets	14	3.788	3.
Net foreign exchange (losses)/gains		(1.712.579)	(1.141.
Interest income	4, 6	(2.688.968)	(2.886.
Interest expense	5, 9	<u>2.202.711</u>	<u>2.434.</u>
		(2.044.818)	450.
Changes in working capital:			
Other receivables		13.497	(13.
Other payables		(37.143)	(36.
Derivative financial instruments	21	1.259.616	
Restricted cash	16	<u>(1.689.962)</u>	
Cash (used in)/generated from operations		(2.498.810)	400.
Income tax paid		<u>(83.819)</u>	<u>(59.</u>
Net cash (used in)/generated from operating activities		<u>(2.582.629)</u>	<u>341.</u>
Cash flows from investing activities			
Purchases of property, plant and equipment	13	-	(1.
Purchases of intangibles	14	-	(11.
Interest received		<u>7.395</u>	<u>7.</u>
Net cash from/(used in) investing activities		<u>7.395</u>	<u>(5.</u>
Cash flows from financing activities			
Proceeds from issuance of share capital	18	-	1.000.
Proceeds from borrowings		24.955.687	29.711.
Repayments of borrowings		(15.439.657)	(27.480.
Loans granted		(33.160.086)	(46.973.
Loans repayments received		<u>22.607.784</u>	<u>43.611.</u>
Net cash used in financing activities		<u>(1.036.272)</u>	<u>(130.</u>
Net (decrease)/increase in cash and cash equivalents		(3.611.506)	206.
Cash and cash equivalents at beginning of year		4.507.444	4.372.
Foreign exchange translation		<u>31.228</u>	<u>(70.</u>
Cash and cash equivalents at end of year	17	<u>927.166</u>	<u>4.507.</u>

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