

Registered number: 08998564

NIPPON KAIJI KYOKAI (UK) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

NIPPON KAIJI KYOKAI (UK) LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets		3,414,474	3,561,444
		<u>3,414,474</u>	<u>3,561,444</u>
Current assets			
Debtors	6	637,185	486,992
Cash at bank and in hand	7	252,875	303,602
		<u>890,060</u>	<u>790,594</u>
Creditors: amounts falling due within one year	8	(399,328)	(442,012)
Net current assets		<u>490,732</u>	<u>348,582</u>
Total assets less current liabilities		<u>3,905,206</u>	<u>3,910,026</u>
Creditors: amounts falling due after more than one year	9	(208,921)	(253,149)
Net assets		<u><u>3,696,285</u></u>	<u><u>3,656,877</u></u>
Capital and reserves			
Called up share capital	11	500,000	500,000
Other reserves		21,079	28,005
Profit and loss account		3,175,206	3,128,872
		<u><u>3,696,285</u></u>	<u><u>3,656,877</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf 18 December 2025.

Kazuto Yoshinaga
Director

The notes on pages 2 to 9 form part of these financial statements.

1. General information

Nippon Kaiji Kyokai (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4th Floor, 8 Frederick's Place, London, EC2R 8AB.

The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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 requirements and the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The income comes from the parent company who, as part of the wider group, make strong profits and have confirmed that they will continue to support the UK company for a period of at least one year from the date of signature of the audit report of these financial statements. Given this, the directors believe the company is in a good position to continue operating owing to the healthy balance sheet it holds, the strong position it occupies within the market, and the support received from its parent company.

It is on this basis that the directors consider it reasonable to prepare the accounts on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

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 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 administrative expenses.

2. Accounting policies (continued)

2.4 Revenue

The turnover shown in the profit and loss account represents revenue derived from services supplied to customers during the year, net of value added tax. Revenue is recognised through the provision of a service agreement contract with the customer and is calculated upon costs of services which fall within the company's ordinary activities performed to date.

2.5 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.

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 and loans from fellow group companies 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

2. Accounting policies (continued)

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.

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.

2.6 Operating leases: the company as lessee

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

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company

has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

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 in the countries where the company operates and generates income.

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 balances are 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 balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of

assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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.

Depreciation is provided on the following basis:

Freehold land	Nil depreciation charged
Buildings	10% straight line
Motor vehicles	33% reducing balance
Fixtures and fittings	25% straight line

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

2. Accounting policies (continued)

2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash

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

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Share Capital

Ordinary shares are classified as equity.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Discount factor applied to long term financing

The effective interest rate charge is subject to the change in external costs of financing. The effective interest rate is assessed annually and amended where necessary.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation, and physical condition of the assets.

4. Employees

The average monthly number of employees, including directors, during the year was 10 (2023 - 9).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5. Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2024	4,622,263	219,897	15,250	4,857,410
Additions	-	-	25,609	25,609
Disposals	-	-	(21,163)	(21,163)
At 31 December 2024	4,622,263	219,897	19,696	4,861,856
Depreciation				
At 1 January 2024	1,140,679	153,865	1,423	1,295,967
Charge for the year on owned assets	121,959	23,706	26,914	172,579
Disposals	-	-	(21,163)	(21,163)
At 31 December 2024	1,262,638	177,571	7,174	1,447,383
Net book value				
At 31 December 2024	3,359,625	42,326	12,522	3,414,473
At 31 December 2023	3,481,585	66,032	13,827	3,561,444

6. Debtors

	2024 £	2023 £
Amounts owed by group undertakings	393,952	-
Other debtors	134,859	250,857
Prepayments and accrued income	78,956	210,217
Deferred taxation	29,418	25,918
	<u>637,185</u>	<u>486,992</u>

7. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	252,875	303,602
	<u>252,875</u>	<u>303,602</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	7,632	112,823
Amounts owed to group undertakings	164,529	187,980
Corporation tax	68,400	53,491
Accruals and deferred income	158,767	87,718
	<u>399,328</u>	<u>442,012</u>

9. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Amounts owed to group undertakings	208,921	253,149
	<u>208,921</u>	<u>253,149</u>

10. Deferred taxation

	2024 £
At beginning of year	25,918
Charged to profit or loss	3,500
At end of year	<u><u>29,418</u></u>

The deferred tax asset is made up as follows:

	2024 £	2023 £
Accelerated capital allowances	29,418	25,918
	<u>29,418</u>	<u>25,918</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period.

11. Share capital

	2024	2023
	£	£
Allotted, called up and fully paid		
500,000 (2023 - 500,000) Ordinary shares of £1.00 each	<u>500,000</u>	<u>500,000</u>

The other reserves balance includes capital contribution arising from the unwind of the below-market interest intercompany loan from the parent company. The difference between the market rate of interest and the actual interest charged is treated as a capital contribution from the parent entity in accordance with FRS 102.

12. Controlling party

The immediate and ultimate parent undertaking is Nippon Kaiji Kyokai, a foundation registered in Japan. Copies of Nippon Kaiji Kyokai's consolidated financial statements can be obtained from the Company Secretary at 4-7, Kioi-cho, Chiyoda-ku, Tokyo, 102-8567, Japan.

13. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2024 was unqualified.

The audit report was signed on 18 December 2025 by Yusuke Takanishi (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.