

Firefly Training EMEA Limited

Report And Financial Statements

31 December 2016

Rees Pollock
Chartered Accountants



COMPANY INFORMATION

Directors	P Little A Usherwood
Company secretary	A Usherwood
Registered number	05365993
Registered office	Chilcompton Green Lane Aspley Guise Milton Keynes MK17 8EN
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW

DIRECTORS' REPORT
For the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors

The directors who served during the year were:

P Little
A Usherwood

Directors' responsibilities statement

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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)

For the Year Ended 31 December 2016

Small companies note

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 on 22 December 2017 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'P Little', is written over the printed name.

P Little
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FIREFLY TRAINING EMEA LIMITED

We have audited the financial statements of Firefly Training EMEA Limited for the year ended 31 December 2016, set out on pages 4 to 9. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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'.

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 auditors' 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.

Respective responsibilities of Directors and Auditors

As explained more fully in the directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

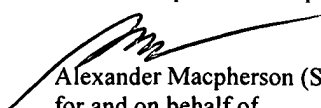
In our opinion, based on the work undertaken in the course of the audit, the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.



Alexander Macpherson (Senior statutory auditor)
for and on behalf of
Rees Pollock
Statutory auditor

22 December 2017

STATEMENT OF INCOME AND RETAINED EARNINGS
For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover		1,640,822	2,072,921
Cost of sales		(776,104)	(1,125,173)
Gross profit		864,718	947,748
Administrative expenses		(812,963)	(891,825)
Operating profit	3	51,755	55,923
Interest payable and expenses		-	(23)
Profit before tax		51,755	55,900
Tax on profit		-	(27,535)
Profit after tax		51,755	28,365
Retained earnings at the beginning of the year		(119,477)	(147,842)
		(119,477)	(147,842)
Profit for the year		51,755	28,365
Retained earnings at the end of the year		(67,722)	(119,477)
The notes on pages 6 to 9 form part of these financial statements.			

BALANCE SHEET
As at 31 December 2016

	Note		2016 £	2015 £
Tangible fixed assets	5		5,775	5,105
Current assets				
Debtors: amounts falling due within one year	6	435,446	395,753	
Cash at bank and in hand		49,289	248,178	
		<u>484,735</u>	<u>643,931</u>	
Creditors: amounts falling due within one year	7	(558,132)	(768,413)	
Net current liabilities			<u>(73,397)</u>	<u>(124,482)</u>
Net liabilities			<u>(67,622)</u>	<u>(119,377)</u>
Capital and reserves				
Called up share capital	8		100	100
Profit and loss account			(67,722)	(119,477)
			<u>(67,622)</u>	<u>(119,377)</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 were approved and authorised for issue by the board and were signed on its behalf on 22 December 2017.



P Little
Director

The notes on pages 6 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2016

1. General information

Firefly Training EMEA Limited is a private company limited by shares incorporated in the United Kingdom and registered in England and Wales. The company's registered office is Chilcompton Green, Aspley Guise, Milton Keynes, MK17 8EN.

2. Accounting policies

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The entity transitioned to Financial Reporting Standard 102 on 1 January 2015. No changes to the financial statements were considered necessary.

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. Due to the simplicity of the company's operations no significant judgments or estimates have been made in preparing the financial statements.

Going concern

The company has net current liabilities of £73,397 and overall net liabilities of £67,622 at the balance sheet date, including net amounts due from group undertakings of £58,360. Accordingly, the company's solvency position is dependent on continued support from fellow group companies.

The directors have been given assurances from the ultimate parent undertaking (see note 10) that it will continue to advance financial support to the company for the foreseeable future, being not less than twelve months from the date of approval of these financial statements. Accordingly, the directors continue to adopt the going concern assumption in the preparation of these financial statements.

No assessment has been made of the financial effect should the going concern assumption prove to be inappropriate.

Cash flow

The financial statements do not include a Cash Flow Statement because the company, as a small reporting entity, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 102 Section 1.12(b).

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2016

2. Accounting policies (continued)

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	- 33% on cost
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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.

Creditors

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

Taxation

Tax is recognised in the statement of income and retained earnings, 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.

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.

3. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Auditors' remuneration	4,000	4,000
Difference on foreign exchange	13,944	5,964
	<u>17,944</u>	<u>9,964</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2016

4. Employees

The average monthly number of employees, including directors, during the year was 4 (2015 - 5).

5. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2016	22,446
Additions	670
At 31 December 2016	<u>23,116</u>
Depreciation	
At 1 January 2016	<u>17,341</u>
At 31 December 2016	<u>17,341</u>
Net book value	
At 31 December 2016	<u><u>5,775</u></u>
At 31 December 2015	<u><u>5,105</u></u>

6. Debtors

	2016 £	2015 £
Trade debtors	124,840	206,900
Amounts owed by group undertakings	306,948	188,745
Other debtors	108	108
Prepayments and accrued income	3,550	-
	<u><u>435,446</u></u>	<u><u>395,753</u></u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2016

7. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	94,002	84,155
Amounts owed to group undertakings	248,588	304,522
Other taxation and social security	20,912	22,642
Other creditors	61,000	61,000
Other creditors	133,630	296,094
	<u>558,132</u>	<u>768,413</u>

8. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. Related party transactions

The company trades globally through its fellow group undertakings, Firefly U.S. Holdings Inc. ('Firefly US') and Firefly APAC Pte. Limited ('Firefly APAC'). Such global trading results in the company making and receiving payments in respect of costs and revenues respectively of its fellow group undertakings and vice versa. During the year the company derived £492,706 (2015: £570,594) of turnover from fellow group companies. Additionally, cash is moved around the group to meet the working capital needs of the various trading entities. At the balance sheet date an amount of £250,175 (2015: £131,972) was due from Firefly US and an amount of £248,588 (2015: £304,522) was due to Firefly APAC. Additionally an amount of £56,773 (2015: £56,773) was due from Socrates Technology Limited in respect of costs incurred on that company's behalf.

During the year the company incurred consultancy costs of £17,125 (2015: £85,625) from Blackstar Investments Limited, a company controlled by a director.

10. Controlling party

The company's immediate parent undertaking is Firefly U.S. Holdings, Inc., a company incorporated in the United States of America. The ultimate parent undertaking is Socrates Technology Limited, a company incorporated in the United Kingdom. Socrates Technology heads the smallest and largest group for which consolidated accounts including the company's position and results are drawn up. Copies of the consolidated accounts are available from Companies House.

In the opinion of the directors the ultimate controlling party is P Little.