

Firefly Training EMEA Limited

Report And Financial Statements

31 December 2018

Rees Pollock
Chartered Accountants



Firefly Training EMEA Limited

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

Firefly Training EMEA Limited

DIRECTORS' REPORT For the Year Ended 31 December 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

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.

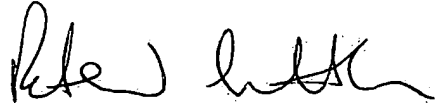
Firefly Training EMEA Limited

DIRECTORS' REPORT (CONTINUED)
For the Year Ended 31 December 2018

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 6 February 2020 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'P Little', written over a horizontal line.

P Little
Director

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

Opinion

We have audited the financial statements of Firefly Training EMEA Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, 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 2018 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.

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 Auditors' 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 Auditors' 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FIREFLY TRAINING EMEA LIMITED (CONTINUED)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIREFLY TRAINING EMEA LIMITED
(CONTINUED)**

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; 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

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, 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.

Auditors' 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 Auditors' 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.

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 Auditors' Report.

Firefly Training EMEA Limited

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FIREFLY TRAINING EMEA LIMITED (CONTINUED)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIREFLY TRAINING EMEA LIMITED
(CONTINUED)**

Use of our report

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.

Alexander Macpherson (Senior Statutory Auditor)

for and on behalf of

Rees Pollock

Statutory auditor

6 February 2020

Firefly Training EMEA Limited

STATEMENT OF INCOME AND RETAINED EARNINGS
For the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover		1,735,878	1,563,461
Cost of sales		(931,225)	(998,333)
Gross profit		804,653	565,128
Administrative expenses		(686,396)	(537,597)
Operating profit		118,257	27,531
Tax on profit		(8,195)	-
Profit after tax		110,062	27,531
Retained earnings at the beginning of the year		(40,191)	(67,722)
Profit for the year		110,062	27,531
Retained earnings at the end of the year		69,871	(40,191)

The notes on pages 8 to 11 form part of these financial statements.

Firefly Training EMEA Limited
Registered number:05365993

BALANCE SHEET
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	-	5,775
		<u>-</u>	<u>5,775</u>
Current assets			
Debtors: amounts falling due within one year	6	537,336	477,250
Cash at bank and in hand		36,228	116,411
		<u>573,564</u>	<u>593,661</u>
Creditors: amounts falling due within one year	7	(503,593)	(639,527)
Net current assets/(liabilities)		<u>69,971</u>	<u>(45,866)</u>
Net assets/(liabilities)		<u><u>69,971</u></u>	<u><u>(40,091)</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		69,871	(40,191)
		<u><u>69,971</u></u>	<u><u>(40,091)</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 were approved and authorised for issue by the board and were signed on its behalf on 6 February 2020.



P Little
Director

The notes on pages 8 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2018

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 Company has elected to apply all amendments to FRS 102, as set out in the triennial review published in December 2017, prior to the mandatory adoption for accounting periods beginning on or after 1 January 2019.

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 directors have been given assurances from the ultimate parent undertaking (see note 9) 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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2018

2. Accounting policies (continued)

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.

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% on cost
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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 the Statement of Income and Retained Earnings.

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 the Statement of Income and Retained Earnings 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.

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.

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.

Firefly Training EMEA Limited

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2018

3. Operating profit

The operating profit is stated after charging:

	2018	2017
	£	£
Auditor's remuneration	4,500	4,500
Difference on foreign exchange	(29,448)	(22,324)

4. Employees

The average monthly number of employees, including directors, during the year was 4 (2017 - 5).

5. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2018	23,116
At 31 December 2018	23,116
Depreciation	
At 1 January 2018	17,341
Charge for the year on owned assets	5,775
At 31 December 2018	23,116
Net book value	
At 31 December 2018	-
At 31 December 2017	5,775

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2018

6. Debtors

	2018 £	2017 £
Trade debtors	380,522	141,331
Amounts owed by group undertakings	156,706	335,811
Other debtors	108	108
	<u>537,336</u>	<u>477,250</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	165,390	120,532
Amounts owed to group undertakings	98,638	244,598
Corporation tax	7,710	-
Other taxation and social security	21,086	15,607
Other creditors	1,738	-
Accruals and deferred income	209,031	258,790
	<u>503,593</u>	<u>639,527</u>

8. 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 £nil (2016: £125,107) 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 £622,286 (2017: £279,038) was due from Firefly US and an amount of £62,010 (2017: £244,598) was due to Firefly APAC. Additionally, an amount of £36,628 was due to (2017: £56,773 was due from) Socrates Technology Limited.

9. 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.