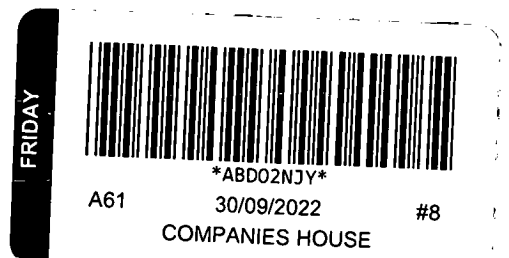


Dragonfly Eye Limited
(formerly Burnham Global (Holdings) Limited)

Report and Financial Statements

Year Ended
31 December 2021

Company Number: 12144978



Dragonfly Eye Limited

Annual report and financial statements for the year ended 31 December 2021

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Directors

R N. Austin	(Appointed 8 July 2021)
P A Caldwell	(Appointed 28 January 2022)
D S Claridge	
J T A Derrick	(Appointed 23 September 2021)
M S Harris	(Appointed 29 June 2021)
C Koneska	(Appointed 30 June 2022)
H M Poppy	(Appointed 23 September 2021)
R D Prior	(Appointed 23 September 2021)
C S Rowley	(Appointed 23 September 2021)
W F Waite	(Appointed 21 July 2021)
H A Wilkinson	(Appointed 23 September 2021)

Secretary and registered office

M S Harris

3 More London Riverside, London SE1 2AQ

Company number:

12144978

Auditor

Mazars LLP, 30 Old Bailey, London, EC4M 7AU

Dragonfly Eye Limited

Company number 12144978

Statement of financial position at 31 December 2021


	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Tangible assets	5		97		-
Current assets					
Debtors falling due within one year	7	2,628		-	
Cash at bank in hand		517		-	
		<u>3,145</u>		<u>-</u>	
Creditors: amounts falling due within one year	8	(2,046)		-	
Net current assets			<u>1,099</u>		<u>-</u>
Total assets less current liabilities			<u>1,196</u>		<u>-</u>
Creditors: amounts falling due after more than one year	9		(1,452)		-
Deferred tax liability	10		(24)		-
			<u>(280)</u>		<u>-</u>
Capital and reserves					
Called up share capital	11		80		-
Share premium account	11		43		-
Profit and loss account	11		(403)		-
			<u>(280)</u>		<u>-</u>
Shareholders' funds			<u>(280)</u>		<u>-</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime (FRS 102 1A – small entities).

The Company has opted not to file the Statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The notes on pages 2 to 11 are an integral part of these financial statements.

The financial statements on pages 1 to 11 were approved by the board of directors and authorised for issue on 30 September 2022 and are signed on its behalf by:

DocuSigned by:

 6569CD40876F4AD...
D Claridge
 Director

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021

General information

Dragonfly Eye Limited is a private company limited by shares, domiciled and incorporated in England. The Company's principal activity is the provision of geopolitical and security intelligence services. The address of the Company's registered office and principal place of business is 3 More London Riverside, London, SE1 2AQ.

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements have been prepared in accordance with FRS102 Section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102 1A") and the requirements of the Companies Act 2006, and under the historical cost convention.

The financial statements present information about the Company as an individual undertaking. The Company is exempt by virtue of section 402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

1.2 Critical accounting estimates and areas of judgement

The preparation of financial statements in conformity with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions 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 discussed below.

Share based payments

Share options are granted on a discretionary basis and have different vesting criteria depending on the date when options were granted. The fair value of options granted is determined using the Black-Scholes valuation model. The assumptions for the model are described under share option scheme accounting policy below.

Impairment of financial and non-financial assets

Financial and non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

1 Accounting policies (Continued)

1.2 Critical accounting estimates and areas of judgement (Continued)

Revenue recognition

Revenue is recorded as contract activity progresses and is stated net of Value Added Tax. Where recorded revenue exceeds amounts invoiced to clients, the excess is classified as accrued income. The Company uses the percentage of completion method as a guide to the nature of what is to be recognised as revenue on projects running at the year end.

Interest rate risk

The Company has applied the Amendments to FRS 102: Interest rate benchmark reform (Phase 1 and Phase 2). The Company has no exposure to these benchmark rates and therefore the application of the amendments has not had an impact on the financial statements.

1.3 Intangible assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets if certain criteria regarding technical feasibility and ability to use or sell the software are met.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 3 years.

1.4 Tangible fixed assets

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as tangible assets if certain criteria regarding technical feasibility and ability to use or sell the software are met.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset, on a straight line basis over its expected useful life, as follows:

Computer equipment	-	over 3 years
Software development	-	over 3 years

1.5 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021 *(Continued)*

1 Accounting policies *(Continued)*

1.5 Taxation *(Continued)*

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.6 Pension costs

The Company operates a defined contribution group personal pension scheme for its United Kingdom employees. Contributions are charged in the Income statement as they become payable in accordance with the rules of the scheme.

1.7 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*Continued*)

1 Accounting policies (*Continued*)

1.7 Financial instruments (*Continued*)

Financial assets

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Income statement for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Income statement.

Financial liabilities and equity

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

1 Accounting policies (Continued)

1.8 Foreign currencies

The financial statements are presented in Pounds sterling (£), which is also the Company's functional currency.

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the operating result.

1.9 Share option scheme

The Company issues share options ("equity-settled share-based payments") to certain employees.

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed by the Company on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest.

The expense in relation to options over parent company shares granted to employees of a subsidiary is recognised by the parent company as a capital contribution, and presented as an increase in the parent company's investment in that subsidiary.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

2 Going concern

In preparing the financial statements and reviewing the Company's position, the directors have considered the ability of the Company to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements and hence the going concern assumption.

A letter of support has been received from The Risk Advisory Group Limited, a company under common control, confirming that payments of balances due will not be requested unless the Company has the financial means to make such repayments and that any such repayment will not adversely affect the ability of the Company to continue trading. The letter of support also states that The Risk Advisory Group Limited will provide support to the Company to help it meet its liabilities for a period of at least 12 months.

The directors will continue to regular review forecast updates from management and believe the preparation of the financial statements on a going concern basis to be appropriate.

3 Revenue

No analysis of the revenue by geographical market is given as in the opinion of the directors disclosure of such information would be seriously prejudicial to the commercial interests of the Company.

Dragonfly Eye LimitedNotes forming part of the financial statements for the year ended 31 December 2021 *(Continued)***4 Employees**

The average monthly number of employees, including directors, during the year was 19 (2020: nil).

5 Tangible assets

	Computer software and equipment £'000	Total £'000
<i>Cost</i>		
At 1 January 2021	-	-
Additions	97	97
	<hr/>	<hr/>
At 31 December 2021	97	97
	<hr/>	<hr/>
<i>Depreciation</i>		
	<hr/>	<hr/>
At 1 January 2021 and at 31 December 2021	-	-
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 December 2021	97	97
	<hr/>	<hr/>
At 31 December 2020	-	-
	<hr/>	<hr/>

6 Fixed asset investments*Subsidiary undertakings*

The undertakings in which the Company's interest at the period end was 20% or more were as follows:

	Place of business and registered address	Principal activity	Holding	Proportion of ownership and voting power held
Dragonfly Eye Pte. Ltd	600 North Bridge Road, #05-01, Parkview Square, Singapore 188778	Dormant	Direct	100%

Dragonfly Eye Limited**Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)****7 Debtors**

	2021 £'000	2020 £'000
Trade debtors	2,261	-
Amounts due from group undertakings	12	-
Other debtors	42	-
Prepayments and accrued income	298	-
Other taxation and social security costs	15	-
	<u>2,628</u>	<u>-</u>

In relation to amounts due from group undertakings, the amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the year (2020: £Nil) in respect of bad debts from related parties.

8 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	211	-
Other creditors	314	-
Accruals and deferred income	1,521	-
	<u>2,046</u>	<u>-</u>

9 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Accruals and deferred income	1,452	-
	<u>1,452</u>	<u>-</u>

Dragonfly Eye Limited**Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)****10 Deferred tax liabilities**

The deferred tax comprises:

	2021 £'000	2020 £'000
Accelerated capital allowances	24	-
	<u>24</u>	<u>-</u>

11 Share capital and reserves

	2021 £'000	2020 £'000
<i>Allotted, called up and fully paid</i>		
8,023,142 ordinary shares of 1p each	80	-
2 B shares of 1p each	-	-
	<u>80</u>	<u>-</u>

The ordinary shares have voting and dividend rights. The B shares do not have voting or dividend rights.

On 8 July 2021, 6,736,790 ordinary shares were issued at par. On 15 July 2021, 1,248,182 shares were issued at par. On 29 September 2021, 38,160 ordinary shares were issued at 86p per share. On 8 December 2021, 2 B shares with nominal value of 1p were issued at £5,600 per share.

On a winding up ordinary shares share fully in any net assets of the Company remaining after all other parties have been paid in full.

Reserves of the Company represent the following:

Share premium

Consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021 *(Continued)*

12 Group and related party transactions

The Company was a subsidiary of The Risk Advisory Group Limited until 30 June 2021. The I&A practice was demerged from The Risk Advisory Group Limited on this date and the trade transferred to the Company, at which time the share capital in the Company were transferred from The Risk Advisory Group Limited to various shareholders who also hold a significant interest in The Risk Advisory Group (Holdings) Limited and its subsidiaries. The Risk Advisory Group (Holdings) Limited and its subsidiaries are therefore considered to be related parties of the Company.

The Risk Advisory Group (Holdings) Limited is under common control with the Company. The Risk Advisory Group Limited and The Risk Advisory Group USA Limited are directly and 100% owned by The Risk Advisory Group (Holdings) Limited.

During the year, the Company made a number of transactions these companies, as follows:

- The Risk Advisory Group (Holdings) Limited transferred debtors of £12,000 (2020: £nil) to the Company.
- The Risk Advisory Group Limited made purchases of £1,282,000 (2020: £nil) on behalf of the Company.
- The Risk Advisory Group Limited made sales of £1,922,000 (2020: £nil) on behalf of the Company.
- The Company made purchases of £678,000 (2020: £nil) from The Risk Advisory Group Limited in respect of a shared services agreement.
- Net liabilities of £479,000 (2020: £nil) were transferred from The Risk Advisory Group Limited to the Company in respect of historic trade.
- The Company made purchases of £8,000 (2020: £nil) from The Risk Advisory Group USA Limited in respect of shared office space.

At the year-end:

- The Company owed £12,000 (2020: £nil) to The Risk Advisory Group (Holdings) Limited.
- The Company owed £238,000 (2020: £nil) to The Risk Advisory Group Limited.
- The Company owed £8,000 (2020: £nil) to The Risk Advisory Group USA Limited.
- The Company owed £55,000 (2020: £nil) to The Risk Advisory Group GS Ltd.
- The Company was owed £12,000 (2020: £nil) by The Risk Advisory Group FZ-LLC

These amounts are included within other debtors and other creditors in notes 7 and 8 respectively.

The Company has taken advantage of the FRS 102 exemption that transactions with Group companies 100% of whose voting rights are controlled within the Group do not need to be disclosed.

13 Controlling parties

There is no ultimate controlling party.

Dragonfly Eye Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (Continued)

14 Events after the reporting period

The military invasion of Ukraine on 24 February 2022 has taken place after the end of reporting period. Extraordinary geopolitical tensions, escalating energy prices, international sanctions imposed on Russia and numerous adjacent uncertainties may adversely affect various sectors of the economy. The Company regards these events as non-adjusting events after the reporting period, the quantitative effect of which cannot be estimated at the moment with a sufficient degree of confidence. Although neither the Company's performance and going concern nor operations at the date of this report have been significantly impacted by the above, the Company's management continues to monitor the evolving situation and is analysing the possible impact on the financial position and results of the Company.

15 Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 30 September 2022 by Gareth Jones (Senior Statutory Auditor) on behalf of Mazars LLP.