

Company Registration No. 08111366 (England and Wales)

**8SAFE UK LIMITED
(FORMERLY IRONFX GLOBAL UK LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
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FOR THE YEAR ENDED 31 DECEMBER 2015

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8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015

Directors

M. A. Kashiouris
D. Kyriacou
D. Hatzis

Company number

08111366 (England and Wales)

Registered Office

55 Old Broad Street
London
EC2M 1RX

Auditor

Citroen Wells
Registered Auditor
Devonshire House
1 Devonshire Street
London
W1W 5DR

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their strategic report for the year ended 31 December 2015.

Review of the business and key performance indicators

The Company's principal activity was arranging (bringing about) deals in investments and making arrangements with a view to transactions in investments. The Company is authorised and regulated by the Financial Conduct Authority ('FCA').

The directors consider turnover and pre-tax profit to be the key performance indicators. The Company has earned revenues of US\$ 4,195,631 (2014: US\$ 6,918,085) with a pre-tax profit of US\$ 276,509 (2014: US\$ 329,433). The performance for the year, and the position at 31 December 2015, are considered to be satisfactory and the directors are optimistic about the future as the business seeks to continue to grow its client base in the UK.

During the year the Company and wider group undertook a restructuring of operations, which included the reduction of staff levels in the UK and a reduction in the Company's cost base. The directors are confident that with the restructuring, together with a growing UK client base, the Company will continue to trade successfully in the future.

Principal risks and uncertainties

The directors' risk management policy is to identify the principal business risks in achieving the Company's strategic objectives, establishing appropriate internal controls to manage those risks and ensuring that appropriate monitoring and reporting systems are in place. The Company's activities expose it to a variety of financial risks, which have continually evolved as the business has changed in recent years and activities have expanded into matched principal brokerage.

The Company's approach to managing risks applicable to the financial instruments concerned is set out in note 14 to the financial statements.

The Company's risk management policy is under continuous review and the directors have been conscious throughout 2015 of the changing business and the need to ensure that the controls are robust and appropriate for the operations in place, with the Company continuing to grow its UK client base, including those required as a firm regulated by the FCA to hold and control client money.

Pillar 3 disclosures

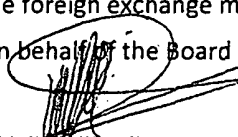
In accordance with the rules of the Financial Conduct Authority, the Company has published information on its risk management objectives and policies on its regulatory capital requirements and resources. These disclosures can be reviewed at the following website address; <http://www.ironfx.co.uk/en>.

Future plans and developments

The directors are confident about the future of the Company and its financial position that will allow it to grow its operations in the future.

Following a prudent approach to growth since incorporation the directors are satisfied that the Company has put in place over the last couple of years a sound business model, driven by the wider group's experience in the foreign exchange markets, which will allow the Company to provide its products to a wide ranging market.

On behalf of the Board


.....
Mr. A. Kashiouris
Director

13.05.2016

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and financial statements for the year ended 31 December 2015.

Results and dividends

The results for the year are set out on page 7. At the end of the reporting year the state of affairs of the Company was considered satisfactory and the directors do not recommend the payment of a dividend for the year.

Directors

The following directors have held office since 1 January 2015:

M. A. Kashiouris

D. Kyriacou

D. Hatzis

S. A. Mitsi

(appointed 2 February 2015 and resigned 31 August 2015)

Auditors

The auditors, Citroen Wells, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 of the Company in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and performance of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU;
- 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 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.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board



M. A. Kashiouris
Director

13/05/2016

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

We have audited the Company financial statements of 8Safe UK Limited for the year ended 31 December 2015 set out on pages 7 to 26. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2015 and of the Company's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006


In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.


Mark Bailey FCA CTA (Senior Statutory Auditor)
for and on behalf of Citroen Wells

Chartered Accountants
Statutory Auditor

15/5/16

Devonshire House
1 Devonshire Street
London
W1W 5DR

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

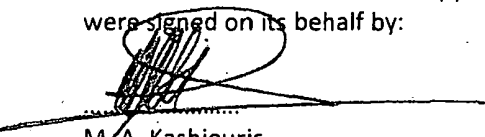
	Notes	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
Continuing operations			
Revenue	5.1	4,195,631	6,918,085
Gross profit		4,195,631	6,918,085
Investment rental income	5.2	264,941	-
Administrative expenses		(4,184,063)	(6,588,652)
Net profit before taxation		276,509	329,433
Income tax expense	7	(63,693)	(85,460)
Profit for the year and total comprehensive income attributable to the owners of the Company		212,816	243,973

The notes form part of these financial statements

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	31 December 2015 US \$	31 December 2014 US \$
ASSETS			
Non-current assets			
Property, plant and equipment	8	783,395	1,088,968
Current assets			
Trade and other receivables	9	3,265,582	1,460,280
Cash and cash equivalents	10	12,779,458	2,405,476
Total current assets		16,045,040	3,865,756
Total assets		16,828,435	4,954,724
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	11	13,884,378	2,270,868
		13,884,378	2,270,868
Non-current liabilities			
Trade and other payables	11	47,385	-
Total liabilities		13,931,763	2,270,868
Equity			
Issued capital	12	2,417,015	2,417,015
Retained earnings	13	479,657	266,841
Total equity		2,896,672	2,683,856
Total liabilities and equity		16,828,435	4,954,724

The financial statements were approved by the Board of Directors and authorised for issue on 13/05/2016 and were signed on its behalf by:


M. A. Kashiouris
Director

Company Registration No. 08111366

The notes form part of these financial statements

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital US \$	Retained earnings US \$	Total equity US \$
Balance at 1 January 2014	77,776	22,868	100,644
Increase in issued share capital	2,339,239	-	2,339,239
Profit for the year and total comprehensive income	-	243,973	243,973
Balance at 31 December 2014	2,417,015	266,841	2,683,856
Profit for the year and total comprehensive income	-	212,816	212,816
Balance at 31 December 2015	2,417,015	479,657	2,896,672

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year before tax	276,509	329,433
Depreciation of non-current assets	255,994	191,972
Loss on disposal of tangible assets	72,191	-
	<u>604,694</u>	<u>521,405</u>
MOVEMENTS IN WORKING CAPITAL		
Increase in cash and cash equivalents, held on behalf of clients	10,946,456	799,102
Increase in trade and other receivables	(1,805,302)	(1,326,546)
Increase in trade and other payables	650,746	1,038,843
	<u>10,396,594</u>	<u>1,032,804</u>
NET CASH FROM OPERATING ACTIVITIES		
	<u>10,396,594</u>	<u>1,032,804</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Payments for property, plant and equipment	(22,612)	(1,109,137)
	<u>(22,612)</u>	<u>(1,109,137)</u>
NET CASH USED IN INVESTING ACTIVITIES		
	<u>(22,612)</u>	<u>(1,109,137)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital issued	-	2,339,239
	<u>-</u>	<u>2,339,239</u>
NET CASH GENERATED FROM FINANCING ACTIVITIES		
	<u>-</u>	<u>2,339,239</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>10,373,982</u>	<u>2,262,906</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>2,405,476</u>	<u>142,570</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u><u>12,779,458</u></u>	<u><u>2,405,476</u></u>

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

ACCOUNTING POLICIES

1. GENERAL INFORMATION

8Safe UK Ltd (the "Company") is a Company incorporated in England and Wales under the Companies Act 2006. The address of the Registered Office is given on page 1.

With effect from 19 November 2015 the name of the Company was changed from IronFX Global UK Limited to 8Safe UK Limited.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

a) Standards and interpretations adopted by the Company with no material effect on financial statements

The Company has adopted the following new and amended IFRSs during the current period, which have not had any significant impact on the amounts reported in these financial statements but may affect the accounting of future transactions or arrangements.

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions, effective 1 July 2014
Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013, effective 1 July 2014

b) Standards, amendments and interpretations to existing standards in issue but not yet effective and have not been adopted early by the Company

At the date of authorisation of this report the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 9	Financial Instruments, effective 1 January 2018
IFRS 15	Revenue from contracts, effective 1 January 2018
Amendments to IAS1	Disclosure initiatives, effective 1 January 2016
IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation, effective 1 January 2016

Other than disclosure, the directors do not anticipate any significant impact as a result of these new standards.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation – Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards as endorsed by the EU ("IFRS"), IFRIC interpretations and the Companies Act 2006 applicable to Companies reporting under IFRS.

In the preparation of the financial statements the directors has had to exercise judgement in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where the assumptions and estimates made are significant to the financial statements.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

The financial statements have been prepared on the accruals basis of accounting using a number of measurement bases including historical cost convention and fair value in accordance with IFRS.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

b) Going concern

The financial statements have been prepared on the going concern basis. The Company's business activities, including the factors likely to affect its future development and performance, as well as its objectives and policies in managing the financial risks to which it is exposed are discussed in the Strategic Report and Note 14 to the financial statements.

This includes the Company's objectives, policies and processes for managing its financial assets and financial liabilities; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The Company is currently well capitalised and the directors have reviewed the ongoing risks to which the business is exposed and its available liquidity, and capital resources for regulatory purposes, and have concluded there is reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

As part of the assessment the directors have considered the impact that the Company's parent undertaking has on its operations. The Company remains largely dependent on services and support provided by its parent, at least in the short and medium term, which has provided the directors with confirmation of support for the foreseeable future.

The directors have also received confirmation from the group's principal shareholders that to the extent that the parent is unable to settle amounts which it owes to the company, which stood at US\$ 1,632,667 at 31 December 2015, they will provide the financial support necessary to enable the company to meet its liabilities as they fall due and satisfy ongoing capital requirements for a period of not less than 12 months from the date of approval of these financial statements.

As with any company placing reliance on other group entities for financial support and services, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. For the reasons stated above the directors continue to adopt the going concern basis of accounting.

c) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable from the Company's parent undertaking, representing;

- i) Amounts receivable for services provided under a service level agreement, which excludes value added tax. Revenue is recognised as earned when, and to the extent that, the Company obtains the right to consideration. Revenue not billed is included in unbilled receivables and payments on account in excess of the relevant amount of revenue are included in trade and other payables.
- ii) Gains and losses on trading in financial markets on derivative products offered in the form of trading in contracts for difference and financial spread betting together with associated income and expenses derived from these financial instruments. Revenue is recognised in the statement of comprehensive income, including unrealised gains and losses, when it is considered probable that the economic benefits associated with the transaction will flow to the Company and can be reliably measured.

As part of its trading operations, the Company has been operating a promotional bonus scheme for certain new and existing clients, which is credited to client's accounts for trading. The cost arising from promotional bonuses, where applicable, is borne by the Company's parent undertaking and therefore no cost is recognised in the statement of comprehensive income.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

d) Expenditure

Expenditure is recognised in the statement of comprehensive income on an accruals basis.

e) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the reporting year. Taxable profit differs from profit as reported in the statement of comprehensive income as it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxation is provided in respect of all timing differences that have originated but not reversed at the end of the reporting year where an event has occurred that results in an obligation to pay more or less tax in the future. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years including the timing differences reversal, based on tax rates and laws enacted or substantially enacted at the end of the reporting year.

f) Cash and cash equivalents

Cash and cash equivalents comprise current account balances and bank deposits.

The Company's clients deposit money with the Company in order to have funds to trade in the products offered. This results in the Company holding cash on behalf of its clients ('Client Money') which for the purpose of measurement are classified as cash held on behalf of clients and they are included in the statement of financial position within cash and cash equivalents. The money held on behalf of clients by the Group is entitled to protection under the FCA Client Money rules and is therefore held in segregated accounts in banks and other institutions. Due to the Company having the contractual legal title as well as control over it, money held on behalf of customers is included as an asset in the statement of financial position of the Company with a corresponding liability towards the Company's clients. This liability does not carry any interest.

The corresponding liability is measured in line with other liabilities at amortized cost and is included in the statement of financial position within trade payables.

g) Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

(i) Receivables and other financial assets

Receivables are measured at amortised cost, using the effective interest method, less any impairment. Interest income, if applicable, is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(ii) Financial assets at fair value through profit or loss

Financial assets relate to derivative financial instruments such as contracts for difference and spread betting contracts and are classified as held for trading if they are expected to settle in the short term.

The fair value of derivative financial instruments and positions which are open at the year end is arrived at using valuation techniques that include only observable market data by reference to rates and prices published in active markets, namely foreign exchange currency rates. The open positions are shown as trade receivables at the year end.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

g) Financial assets - (continued)

(iii) Impairment of financial assets

Financial assets are assessed for indicators of impairment at each end of the reporting year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets. Changes in the carrying amount of the asset are recognised in the statement of comprehensive income.

h) Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities relate to derivative financial instruments such as contracts for difference and spread betting contracts and are classified as held for trading if they are expected to settle in the short term.

The fair value of derivative financial instruments and positions which are open at the year end is arrived at using valuation techniques that include only observable market data by reference to rates and prices published in active markets, namely foreign exchange currency rates. The balances are included in trade payables at the year end.

(ii) Payables and other financial liabilities

The Company's financial liabilities are subsequently measured at amortised cost using the effective interest method. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.

(iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

i) Foreign currency transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in US Dollars which is considered to be the Company's functional and presentational currency under the current business model, which is consistent with the Company's parent undertaking.

Transactions in foreign currencies are translated to US Dollars at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting year. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Foreign currency differences arising on retranslation are recognised in the statement of comprehensive income in the year in which they arise.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

3. SIGNIFICANT ACCOUNTING POLICIES – (continued)

j) Property, plant and equipment

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives of the depreciable assets are as follows:

Leasehold improvements	Over the term of the lease, subject to break clause
Fixtures, fittings and equipment	5 years on a straight line basis

Depreciation methods, useful lives and residual values are reviewed at each reporting date. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

k) Leasing

Leases are classified as financial leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(i) When the Company is the lessee

Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Initial direct costs incurred by the Company in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised in the statement of comprehensive income over the lease term on the same basis as the lease income.

(ii) When the Company is the lessor

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, as described in this note, the directors are required to make judgements. Estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumption are based on historical experience and other factors that are considered to be relevant, as reviewed on an ongoing basis. For the year ended 31 December 2015 there were no assumptions or estimates that are considered critical in applying the accounting policies.

Some of the Company's assets and liabilities are measured at fair value but the valuation of these instruments does not require any discounting or other significant judgement or estimation, since the Company does not offer any financial products with an underlying value that does not have a readily available market price. Market prices are obtained from the relevant exchanges.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

4. STAFF COSTS

	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
Wages and salaries	1,759,829	3,517,694
Social security costs	182,484	327,086
	<u>1,942,313</u>	<u>3,844,780</u>

The average monthly number of employees (including directors) during the year was as follows:

	No.	No.
Management, accounts managers and administration	<u>41</u>	<u>85</u>

5. REVENUE AND OTHER OPERATING INCOME

5.1 Revenue from trading and related services

The total revenue of the Company, for both the current and prior financial year, has been derived from its principal activity driven from the United Kingdom, including revenues earned from the provision of online retail foreign exchange trading and related services from the Company's UK trading platform.

5.2 Rental income

The total rental income of the Company has been derived from the sub-letting of two of its leased premises to unconnected third parties, exclusive of VAT.

	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
Rental and other relevant income (Note 17)	<u>264,941</u>	<u>-</u>

6. PROFIT BEFORE TAX

	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
The profit before tax is stated after charging:		
Depreciation of non-current assets	255,994	191,972
Loss on disposal of tangible assets	72,191	-
Operating lease rentals – land and buildings	632,290	658,718
Loss on foreign exchange transactions	<u>6,159</u>	<u>156,963</u>
Auditors' remuneration		
Fees payable to the Company's auditors for the audit of the Company's annual accounts	20,000	19,800
Other services	<u>26,631</u>	<u>26,308</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

7. INCOME TAX

	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
Domestic current year tax		
UK corporation tax	50,713	-
Deferred tax		
Charge for the year	12,980	85,460
	<u>63,693</u>	<u>85,460</u>

a) Factors affecting the tax charge

The income tax provision for the current year reconciles back to the accounting profit as follows:

	Year ended 31 December 2015 US \$	Year ended 31 December 2014 US \$
Profit on ordinary activities before tax	<u>276,509</u>	<u>329,433</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014: 21%)	55,302	69,181
Effect of:		
Non-deductible expenses	10,360	21,058
Depreciation add back	51,199	40,146
Capital allowances utilised	(14,769)	(130,385)
Utilisation of losses brought forward	(51,379)	-
Current tax charge for the year	<u>50,713</u>	<u>-</u>

b) Deferred tax liability

	31 December 2015 US \$	31 December 2014 US \$
Original and reversal of temporary differences	<u>110,000</u>	<u>97,020</u>

The deferred tax liability at 31 December 2015 has arisen due to temporary timing differences that have originated on the non-current assets of the Company, resulting in an obligation to pay more tax in the future.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

8. NON-CURRENT ASSETS

	Leasehold improvements US \$	Fixtures, fittings & equipment US \$	Total US \$
Cost			
At 1 January 2015	486,623	799,927	1,286,550
Additions	8,965	13,647	22,612
Disposals	-	(97,412)	(97,412)
At 31 December 2015	495,588	716,162	1,211,750
Depreciation			
At 1 January 2015	80,849	116,733	197,582
On disposals	-	(25,221)	(25,221)
Charge for the year	99,457	156,537	255,994
At 31 December 2015	180,306	248,049	428,355
Carrying amount			
At 31 December 2015	315,282	468,113	783,395
At 31 December 2014	405,774	683,194	1,088,968
	Leasehold improvements US \$	Fixtures, fittings & equipment US \$	Total US \$
Cost			
At 1 January 2014	97,405	80,008	177,413
Additions	389,218	719,919	1,109,137
At 31 December 2014	486,623	799,927	1,286,550
Depreciation			
At 1 January 2014	987	4,623	5,610
Charge for the year	79,862	112,110	191,972
At 31 December 2014	80,849	116,733	197,582
Carrying amount			
At 31 December 2014	405,774	683,194	1,088,968
At 31 December 2013	96,418	75,385	171,803

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

9. TRADE AND OTHER RECEIVABLES	31 December 2015 US \$	31 December 2014 US \$
Current:		
Trade receivables – open derivative positions	776,278	56,985
Other receivables	806,073	1,272,788
Amounts due from parent undertaking	1,632,667	130,507
Amounts due from other related parties	50,564	-
	<u>3,265,582</u>	<u>1,460,280</u>

Amounts due after more than one year and included in other receivables above is US\$441,576 (2014: US\$ 443,183), in respect of rent deposits under operating lease commitments.

Other receivables disclosed above are classified as loans and receivables and are therefore measured at cost. The directors consider that the carrying amount of trade receivables approximates to their fair value.

10. CASH AND CASH EQUIVALENT	31 December 2015 US \$	31 December 2014 US \$
Cash and bank balances	1,033,900	1,606,374
Cash held on behalf of clients	11,745,558	799,102
	<u>12,779,458</u>	<u>2,405,476</u>

11. TRADE AND OTHER PAYABLES	31 December 2015 US \$	31 December 2014 US \$
Current:		
Trade payables – open derivative positions	776,278	56,985
Trade payables – client balances	11,745,558	799,102
Trade payables – other payables	375,609	391,381
Deferred tax liability (note 7)	110,000	97,020
Taxation and social security	81,835	98,475
Other payables	795,098	827,905
	<u>13,884,378</u>	<u>2,270,868</u>

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid.

The directors consider that the carrying amount of trade payables approximates to their fair value.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

11. TRADE AND OTHER PAYABLES - (continued)

	31 December 2015 US \$	31 December 2014 US \$
Non-current:		
Other payables	47,385	-

The amount included in other payables as due greater than one year relates to a rent deposit held in respect of leased premises that have been sublet.

12. ISSUED CAPITAL

	31 December 2015 US \$	31 December 2014 US \$
Issued and fully paid		
1,500,000 fully paid ordinary shares of £1 each	2,417,015	2,417,015

13. RETAINED EARNINGS

	31 December 2015 US \$	31 December 2014 US \$
Balance at beginning of year	266,841	22,868
Profit for the year	212,816	243,973
Balance at end of year	479,657	266,841

14. FINANCIAL INSTRUMENTS

Categories of financial instruments

Details of the significant accounting policies and methods adopted (including the criteria for recognition and the basis of measurement) for each class of financial liability and equity instrument are disclosed in note 3 to the financial statements.

	31 December 2015 US \$	31 December 2014 US \$
Financial assets		
Current financial assets		
Trade and other receivables	2,094,574	489,782
Fair value through profit or loss	776,278	56,985
Cash and cash equivalents	1,033,900	1,606,374
Cash held on behalf of clients	11,745,558	799,102
	15,650,310	2,952,243

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

14. FINANCIAL INSTRUMENTS – (continued)

	31 December 2015 US \$	31 December 2014 US \$
Financial liabilities		
Current financial liabilities		
Trade and other payables	412,264	488,401
Trade payables – client balances	11,745,558	799,102
Fair value through profit or loss	776,278	56,985
	<u>12,934,100</u>	<u>1,344,488</u>

Financial risk management objectives

The overarching objective of the directors is to have a risk management policy to be able to identify and assess the business risks in achieving the Company's, and wider group's, strategic objectives, establishing appropriate internal controls to manage those risks and ensuring that appropriate monitoring and reporting systems are in place. These controls are to be continually reviewed.

Following a variation in its regulatory permissions with the Financial Conduct Authority, allowing the Company from October 2014 to dealing in investments as agent and as principal (matched principal broker), the directors have had regard to the changing business model of the Company. While the existing controls were considered appropriate for the Company's extended operations, the directors have been conscious of ensuring that the Company's systems and controls evolve with its change in operations, continually seeking to improve its risk management policy.

The Company's approach to managing risks applicable to the financial instruments concerned is shown below:

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern and meet the regulatory capital requirements imposed by the Financial Conduct Authority. The capital structure of the Company consists of the equity of the Company (comprising issued capital plus retained earnings as detailed in notes 12 and 13).

The Company is currently capitalised at a level comfortably in excess of the minimum regulatory capital required at the end of 31 December 2015 and it has always been the prudent decision to maintain a healthy capital surplus to cover any unforeseen increases in cost. The directors monitor management accounts on a frequent basis to ensure that an appropriate level of capital and cash resources are maintained to meet regulatory requirements. The cost base of the Company has decreased during 2015 to a level at 31 December 2015 which is thought to be reflective of the ongoing cost basis for the foreseeable future.

Therefore the directors are comfortable that the current capitalisation of the Company is appropriate for the operation of the business, but are also aware that further capital would be made available in the event that it is thought prudent to capitalise the Company further for regulatory purposes.

Market risk – interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fluctuations of market interest affect the prices of securities.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

14. FINANCIAL INSTRUMENTS – (continued)

Market risk – interest rate risk (continued)

The Company's management monitors the interest rate fluctuations and acts accordingly, however it does not consider interest rate risk as significant since it does not hold any material interest bearing assets and liabilities. Furthermore, the interest rates applying to the UK are currently minimal and therefore have negligible impact.

The directors are aware that interest rates are likely to rise, but the Company does not look to interest as a key source of revenue.

Market risk – price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk).

The Company is exposed to price risk by virtue of its financial instruments that are traded as contracts for difference and spread betting contracts. However, the positions at any point are mitigated through matched positions held with counterparties, notably the Company's parent undertaking. All realised positions are then taken to the statement of comprehensive income.

Foreign exchange risk

The Company is exposed to foreign exchange risk as certain transactions and balances are in Sterling and therefore it has currency risk exposure to fluctuations in exchange rates. These fluctuations do not have a material impact on the financial statements at 31 December 2015, and will be continually reviewed by the directors as the business continues to grow its UK client base and operations.

The directors are responsible for managing the Company's exposure to foreign currency risk by monitoring the exposure on all foreign currency denominated assets and liabilities. Foreign currency risk, as defined by IFRS 7, arises as the value of future transactions fluctuate due to changes in foreign exchange rates.

The table below therefore shows the Company's concentration of assets and liabilities in other currencies, namely Sterling. It has been analysed between monetary and non-monetary items to meet the requirements of IFRS 7.

	31 December 2015 US \$	31 December 2014 US \$
Assets		
Non-monetary assets	1,143,574	1,122,694
Other assets (monetary)	12,594,914	3,678,290
Liabilities		
Other liabilities (monetary)	(7,500,202)	(2,116,863)
Net position exposure	<u>6,238,286</u>	<u>2,684,121</u>

At 31 December 2015, had the exchange rate between US Dollars and Sterling increased or decreased by 5% with all other variables held constant, the increase or decrease respectively in net assets attributable to the Company's operations would amount to approximately US\$310,000 (2014: US\$ 134,200).

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

14. FINANCIAL INSTRUMENTS – (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk is monitored by management on an ongoing basis with respect to trading positions. The directors address credit risk in a number of ways including:

- aiming to maintain a diversified client portfolio thus avoiding high concentration and exposure to a small number of clients;
- ensuring that clients cannot begin to trade unless money has been deposited into clients' account; and
- ensuring that the necessary margin is tied for any open positions

Furthermore, the credit risk that arises from client positions is further reduced by the Company's policies and tools, which include manual and automatic stop loss limits in order to prevent any open positions exceeding the Company's pre-set margin.

The directors manage cash flow risk by regularly monitoring the amounts outstanding and calling on funds to enable the Company to meet liabilities as they fall due. Any cash deposits with banks are held with a major international banking group with reported substantial financial strength and high grade credit ratings assigned by international credit-rating agencies.

Liquidity risk

Liquidity risk refers to the risk of not having sufficient resources to enable the Company to meet its obligations as they fall due.

Ultimate responsibility for liquidity risk management rests with the directors, who will manage the Company's short, medium and long-term funding and liquidity management requirements.

The Company aims to maintain a healthy level of liquidity at all times and the directors regularly monitor cash flow and management accounts to ensure that the Company maintains adequate working capital, therefore the directors do not consider liquidity risk to be significant.

Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external factors. This is considered to be a key risk for management during the year, as the directors have set to put in place controls and systems that are able to deal with both the growing business operations and also the regulatory requirements of the Company.

The directors draw on experience in the industry on a group wide basis and ensure that significant strategic decisions made by management are continually monitored. Management formally communicates duties and responsibilities to employees through regular meetings, seminars and trainings.

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

15. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 seeks to increase consistency and comparability in fair value measurements and disclosures through a fair value hierarchy. The hierarchy categorises the inputs used in valuation techniques into 3 levels.

Level 1

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

The Company did not have any Level 1 instruments at the year end or at the end of the prior year.

Level 2

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. This category includes the foreign currency derivative and CFD positions which are open as at each period end.

The fair value of these instruments is arrived at by reference to rates and prices published in active markets (e.g. foreign exchange currency rates, equities, commodities and indices). The valuation of these instruments includes only observable market data and does not require any discounting or other areas of judgement or estimation.

Level 3

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. The Company did not have any Level 3 instruments at the year end or at the end of the prior year.

Transfers between levels in the hierarchy

For assets and liabilities that are recognised in the financial statements on a recurring basis, the directors of the Company are expected to determine whether transfers have occurred between the levels in the hierarchy by re-assessing the appropriate categorisation at the end of each reporting period. There were no transfers in or out of Level 1, 2 or 3 during the year.

a) Financial instruments at fair value through profit or loss

	Level 1 US \$	Level 2 US \$	Level 3 US \$	Total US \$
Assets				
Trade receivables – open positions	-	776,278	-	776,278
Liabilities				
Trade payables – open positions	-	776,278	-	776,278

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

15. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES – (continued)

As at 31 December 2015 the Company held open positions with its clients and counterparties, but with no net effect on the Company's statement of comprehensive income.

b) Other financial assets and liabilities

Other than the financial assets and liabilities referred to above, there are no financial assets or financial liabilities of the Company that are measured at fair value on a recurring basis, in either the current or prior year.

The directors have considered the book values and fair values of the Company's financial assets and liabilities as at 31 December 2015 and consider them to be approximate to their book value owing to the short term maturity of these instruments and the current low interest rate environment.

16. RELATED PARTY DISCLOSURES

The Company's parent undertaking is IronFX Global Limited, a Company incorporated in Cyprus.

During the year, the Company earned revenue amounting to US\$3,353,952 from its parent undertaking (2014: US\$6,756,655). At the year end, the Company was owed US\$1,632,667 by its parent (2014: US\$130,507), representing trading and service fees due, less advances received.

At the year end, the Company was also owed an amount of US\$50,564 (2014: US\$Nil) from group Company GVS (AU) Pty Ltd, a company based in Australia, granted as an interest free loan payable on demand.

17. OPERATING LEASE ARRANGEMENTS

i. When the Company is the lessee

As noted above, operating leases relate to business premises with lease terms ranging from 3 to 10 years, subject to break clause.

The Company does not have an option to purchase the leased assets at the expiry of the lease periods entered into.

Payments recognised as an expense

	Year ended 31 December 2015 US\$	Year ended 31 December 2014 US\$
Minimum lease payments	632,290	658,718

8SAFE UK LIMITED (FORMERLY IRONFX GLOBAL UK LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015

17. OPERATING LEASE ARRANGEMENTS – (continued)

Non-cancellable operating lease commitments

	Year ended 31 December 2015 US\$	Year ended 31 December 2014 US\$
Less than one year	677,792	539,840
Later than one year and not later than five years	2,423,374	2,290,792
Later than five years	1,738,420	2,394,221
	<u>4,839,586</u>	<u>5,224,853</u>

ii. When the Company is the lessor

As noted above, occasionally, the Company acts as a lessor for certain of its leased property. All operating leases relate to business premises with a lease term between 3 and 4 years.

The Company does not have an option to purchase the leased assets at the expiry of the lease periods entered into.

Amounts recognised as rental income

	Year ended 31 December 2015 US\$	Year ended 31 December 2014 US\$
Rental and other related income	<u>264,941</u>	<u>-</u>

Non-cancellable operating lease commitments

	Year ended 31 December 2015 US\$	Year ended 31 December 2014 US\$
Less than one year	755,454	-
Later than one year and not later than five years	1,881,220	-
	<u>2,636,674</u>	<u>-</u>