

LEAPFROG FINANCE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018
PAGES FOR FILING WITH REGISTRAR



**COMPANIES HOUSE
EDINBURGH**

25 APR 2019

FRONT DESK

LEAPFROG FINANCE LIMITED

BALANCE SHEET

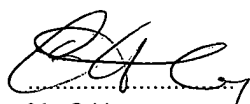
AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	4		944		2,402
Investments	5		1		1
			<u>945</u>		<u>2,403</u>
Current assets					
Debtors	7	29,735		1,684	
Cash at bank and in hand		51,629		166,246	
		<u>81,364</u>		<u>167,930</u>	
Creditors: amounts falling due within one year	8	(41,860)		(124,077)	
Net current assets			39,504		43,853
Total assets less current liabilities			<u>40,449</u>		<u>46,256</u>
Provisions for liabilities			(146)		(408)
Net assets			<u>40,303</u>		<u>45,848</u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss reserves			40,302		45,847
Total equity			<u>40,303</u>		<u>45,848</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 15-3-2019 and are signed on its behalf by:



Ms C Hanratty
Director

Company Registration No. 07038343

LEAPFROG FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 September 2016		1	4,435	4,436
Year ended 31 August 2017:				
Profit and total comprehensive income for the year		-	41,412	41,412
		<hr/>	<hr/>	<hr/>
Balance at 31 August 2017		1	45,847	45,848
Year ended 31 August 2018:				
Profit and total comprehensive income for the year		-	15,161	15,161
Distributions to parent charity under gift aid		-	(20,706)	(20,706)
		<hr/>	<hr/>	<hr/>
Balance at 31 August 2018		1	40,302	40,303
		<hr/>	<hr/>	<hr/>

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Company information

Leapfrog Finance Limited is a private company limited by shares incorporated in England and Wales. The registered office, and principal place of business, is 7-14 Great Dover Street, London, SE1 4YR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

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

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33.33%
Computer equipment	33.33%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because 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. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors' are satisfied that there are no such estimates or judgements in the preparation of the financial statements.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2017 - 2).

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 September 2017 and 31 August 2018	4,361
Depreciation and impairment	
At 1 September 2017	1,959
Depreciation charged in the year	1,458
At 31 August 2018	3,417
Carrying amount	
At 31 August 2018	944
At 31 August 2017	2,402

5 Fixed asset investments

	2018 £	2017 £
Investments	1	1

Investment in subsidiary entities are held at cost.

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 September 2017 & 31 August 2018	1
Carrying amount	
At 31 August 2018	1
At 31 August 2017	1

6 Subsidiaries

Details of the company's subsidiaries at 31 August 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Leapfrog Bridge Finance Limited	England and Wales	Financial intermediation	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Leapfrog Bridge Finance Limited	609	960

7 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	-	15
Amounts owed by group undertakings	8,001	-
Other debtors	21,734	1,669
	<u>29,735</u>	<u>1,684</u>

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

8 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	10,600	8,575
Amounts due to group undertakings	-	1,500
Corporation tax	5,079	3,815
Other taxation and social security	6,435	4,687
Other creditors	19,746	105,500
	<u>41,860</u>	<u>124,077</u>

Amounts due to group undertakings are interest free and repayable on demand.

9 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

10 Audit report information

As the profit and loss account has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Scott Jeffrey.
The auditor was Johnston Carmichael LLP.

11 Financial commitments, guarantees and contingent liabilities

The company is party to a third party loan agreement with its subsidiary, Leapfrog Bridge Finance. The value of the loan in the subsidiary accounts at the reporting date is £14,931,777. The loan is secured by fixed charges over the assets and share capital of Leapfrog Finance Limited, as well as charges over the assets of Leapfrog Bridge Finance Limited.

12 Events after the reporting date

Subsequent to the year-end, the company has authorised a gift aid payment to its parent charity Pure Leapfrog of £nil (2017: £20,706).

LEAPFROG FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2018**

13 Related party transactions

Transactions with related parties

The company has taken advantage of exemptions under Financial Reporting Standard FRS 102 section 1AC.35 not to disclose transactions with wholly owned group undertakings.

14 Parent company

The immediate and ultimate parent is Pure Leapfrog a company registered in England & Wales and a registered charity. Consolidated financial statements are prepared and available from www.companieshouse.gov.uk. The immediate controlling party is Pure Leapfrog. The directors' consider there to be no ultimate controlling party.