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Company Registration No. 03935677 (England and Wales)

**FROG EDUCATION LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2017**

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# **FROG EDUCATION LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	M J Bushnell G J Davies S J Holt Lord Sutherland of Houndwood M L Wilkinson Yeoh P L Dato' Yeoh S H
<b>Company number</b>	03935677
<b>Registered office</b>	G Mill Dean Clough Halifax HX3 5AX
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants Central Square 5th Floor 29 Wellington Street Leeds LS1 4DL

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# **FROG EDUCATION LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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The directors present the strategic report for the year ended 30 June 2017.

#### **Review of the business and principal activities**

The company is a wholly owned subsidiary of Frog Education Group Limited.

The principal activities of the company during the year were sales into the education market and further development of the web environment product.

Turnover for the year was £4.3m (2016 - £6.3m) and operating loss was £481k (2016 - £1,353k). The reduced operating loss was as a result of the restructuring programme initiated in 2016 to relocate resource to Malaysia and size the UK workforce to reflect the tougher UK market. The operating loss also includes an amount for bad debt provision, £349k, set aside for mainly UK customers.

Revenue in the period has been adversely affected by the restructuring of the group which means that 60% of the Malaysian contract is now recognised in Malaysia; thus, revenues have reduced from £2.8m to £1.5m. The tougher UK market has seen revenues fall from £3.5m to £2.8m.

As a result of the trading results for the year, and movements in working capital, net assets have decreased to £2.7m from £3.2m.

The business has maintained a positive bank balance, funding an operational cash outflow of £1.6m from cash reserves. The operational cash outflow is a result of an increase in intercompany debtor positions during the year, £1.5m, with UK operations being approximately neutral.

The UK business has continued to invest in the development of the new Frog Progress software and is seeing very positive results from its early customers. The business has now integrated all of its core products far more deeply with each other and is finding ways of applying all of its technology successfully to school's current challenges, particularly in the areas of curriculum and assessment.

The group is developing an increasingly strong export presence in both the education and commercial sectors. The business expects to secure a number of opportunities in 2017/18 in overseas markets.

The business is also seeking to strengthen its UK presence by developing market strategies appropriate to the current economic climate.

#### **Risks and uncertainties**

The UK remains a tough trading environment with schools facing increasing financial constraints. This environment affects the group both in terms of winning new customers and retaining existing customers beyond their original contract term.

The company has taken steps to address its cost base and is now focusing on matching the service offering to the customer needs.

#### **Key performance indicators**

The key performance indicators of the business are evolving as the restructuring programme of 2016 beds in. In the context of the UK market, the key non-financial indicator used by the business is retentions.

In 2017, the overall retention rate has reduced by 8% compared to the prior year. This has partly contributed to the reduced revenue noted above.

Other key financial performance indicators, including cash and operating profit, are quantified in these financial statements.

# FROG EDUCATION LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

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### **Financial instruments**

The business monitors its exposure to risk relating to financial instruments through the operational processes deployed to win and execute projects. The objective of the management is to minimise exposure to economic risks as cost effectively as possible.

#### *Currency risk*

The company has one major contract outside of the UK which is denominated in GBP and does little business in other currencies; currency risk is not a significant issue in risk management. Contracts that are taken in foreign currency are reviewed on a case by case basis as to whether a hedging contract is required. The management take into consideration the value of the contract, the forecast milestone dates and the volatility of the currency.

#### *Fair value interest risk*

The company does not hedge its interest rate risk.

#### *Price risk*

The company's activities are primarily labour based and have no critical reliance on external suppliers. Labour is predominately based local to activities and is therefore not exposed to unusual fluctuations.

#### *Credit risk*

The company mainly trades with long standing, public body customers. The nature of these relationships assist management in controlling its credit risk.

#### *Liquidity risk*

The company finances its operations through operational cash flows and has access to group treasury resources.

On behalf of the board



G J Davies

Director

27 November 2017

# **FROG EDUCATION LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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The directors present their annual report and financial statements for the year ended 30 June 2017.

#### **Principal activities**

The principal activities of the company during the year were sales into the education market and further development of the web environment product.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M J Bushnell  
G J Davies  
S J Holt  
Lord Sutherland of Houndwood  
M L Wilkinson  
Yeoh P L  
Dato' Yeoh S H

#### **Results and dividends**

The results for the year are set out on page 8.

*No ordinary dividends were paid. The directors do not recommend payment of a final dividend.*

#### **Qualifying third party indemnity provisions**

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### **Future developments**

The group continues to have a global product strategy based on its vision to improve education through technology and will continue to further its focus on thought leadership in the education sector. The business also plans to investigate and exploit adjacent markets, during the coming years, where its technology may offer a distinct advantage.

The business plans to invest further in products development to further enhance its current product range.

#### **Auditor**

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

#### **Strategic Report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report.

# **FROG EDUCATION LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

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### **Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the company's auditor is 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 all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



G. J. Davies

Director

27 November 2017,

# **FROG EDUCATION LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2017**

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The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FROG EDUCATION LIMITED**

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### **Opinion**

We have audited the financial statements of Frog Education Limited for the year ended 30 June 2017 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FROG EDUCATION LIMITED (CONTINUED)

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### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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.

*RSM UK Audit LLP*

Andrew Allchin FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Central Square  
5th Floor  
29 Wellington Street  
Leeds  
LS1 4DL  
*27 November 2017*

# FROG EDUCATION LIMITED

## INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 £	2016 £
Turnover	3	4,264,306	6,322,377
Cost of sales		(104,073)	(163,432)
<b>Gross profit</b>		<b>4,160,233</b>	<b>6,158,945</b>
Administrative expenses		(4,402,112)	(6,380,988)
Other operating income		126,508	-
Exceptional costs	4	(365,879)	(1,130,607)
<b>Operating loss</b>	7	<b>(481,250)</b>	<b>(1,352,650)</b>
Interest receivable and similar income	8	4,662	15,386
Interest payable and similar expenses	9	(1,192)	-
<b>Loss before taxation</b>		<b>(477,780)</b>	<b>(1,337,264)</b>
Taxation	10	(39,987)	(119,604)
<b>Loss for the financial year</b>	24	<b>(517,767)</b>	<b>(1,456,868)</b>

**FROG EDUCATION LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Negative goodwill	11	(231,219)		(312,826)	
Other intangible assets	11	451,066		610,266	
Total intangible assets		219,847		297,440	
Tangible assets	12	52,134		86,758	
Investments	13	16,709		16,709	
		288,690		400,907	
<b>Current assets</b>					
Stocks	15	-		2,605	
Debtors falling due after more than one year	16	17,357		7,391	
Debtors falling due within one year	16	4,071,061		3,271,908	
Cash at bank and in hand		442,501		1,998,791	
		4,530,919		5,280,695	
<b>Creditors: amounts falling due within one year</b>	17	(2,055,727)		(2,255,646)	
<b>Net current assets</b>		2,475,192		3,025,049	
<b>Total assets less current liabilities</b>		2,763,882		3,425,956	
<b>Creditors: amounts falling due after more than one year</b>	18	-		(106,365)	
<b>Provisions for liabilities</b>	20	(85,703)		(123,645)	
<b>Net assets</b>		2,678,179		3,195,946	
<b>Capital and reserves</b>					
Called up share capital	23	14,028		14,028	
Share premium account	24	2,296,144		2,296,144	
Capital redemption reserve	24	68		68	
Profit and loss reserves	24	367,939		885,706	
<b>Total equity</b>		2,678,179		3,195,946	

The financial statements were approved by the board of directors and authorised for issue on 27 November 2017 and are signed on its behalf by:

  
G J Davies  
Director

# FROG EDUCATION LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2015</b>	14,028	2,296,144	68	2,342,574	4,652,814
<b>Year ended 30 June 2016:</b>					
Loss and total comprehensive income for the year	-	-	-	(1,456,868)	(1,456,868)
<b>Balance at 30 June 2016</b>	14,028	2,296,144	68	885,706	3,195,946
<b>Year ended 30 June 2017:</b>					
Loss and total comprehensive income for the year	-	-	-	(517,767)	(517,767)
<b>Balance at 30 June 2017</b>	14,028	2,296,144	68	367,939	2,678,179

# FROG EDUCATION LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	25	(1,504,911)		(1,889,311)	
Interest paid		(1,192)		-	
Income taxes paid		(36,072)		(73,879)	
<b>Net cash outflow from operating activities</b>		<b>(1,542,175)</b>		<b>(1,963,190)</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(18,947)		(19,055)	
Proceeds on disposal of tangible fixed assets		170		1,250	
Purchase of subsidiaries		-		(16,709)	
Interest received		4,662		15,386	
<b>Net cash used in investing activities</b>		<b>(14,115)</b>		<b>(19,128)</b>	
<b>Net decrease in cash and cash equivalents</b>		<b>(1,556,290)</b>		<b>(1,982,318)</b>	
Cash and cash equivalents at beginning of year		1,998,791		3,981,109	
<b>Cash and cash equivalents at end of year</b>		<b>442,501</b>		<b>1,998,791</b>	

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2017

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#### 1 Accounting policies

##### Company information

Frog Education Limited ("the company") is a private company limited by shares and is registered, domiciled and incorporated in England and Wales. The registered office is G Mill, Dean Clough, Halifax, HX3 5AX.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

##### 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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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 £.

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

##### Consolidated financial statements

The company has taken advantage of the exemption in section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. Consequently, these financial statements present the financial position and financial performance of the company as a single entity.

##### Going concern

As at 30 June 2017, the company had cash reserves of £442,501 (2016 - £1,998,791) and net current assets of £2,475,192 (2016 - £3,025,049). The company is expecting to improve its financial position during the year ended 30 June 2018 and beyond. On the basis of the above, the directors are confident that the company is a going concern and will be able to meet its financial obligations during the forthcoming 12 months from the date of approval of the financial statements.

##### Turnover

The company recognises revenue as follows:

- software licence fees, hardware sales and associated items are recognised on delivery, and where applicable, acceptance by the customer, provided that no significant vendor obligations remain and collection of the resulting debt is deemed probable;
- fees for access to the company's hosted software are recognised on a straight line basis over the period of the contract term;
- fees for training, consultancy, implementation and other services are recognised as performed; and
- annual hosting, support and maintenance income is recognised over the period of delivery of the contract on a pro-rata basis.

Turnover includes royalty income from the subsidiary company which is recognised on an accruals basis.

##### Intangible fixed assets - goodwill

Negative goodwill arises when the cost of a business combination is less than the fair value of the interest in the identifiable assets, liabilities and contingent liabilities acquired. The amount up to the fair value of the non-monetary assets acquired is credited to profit or loss in the period in which those non-monetary assets are recovered. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to profit or loss in the periods expected to benefit, which the directors consider to be 5 years.

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2017

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#### 1 Accounting policies (Continued)

##### **Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business combination are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

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

Software	over 5 years straight line
Customer relationships	over 5 years straight line

The directors are amortising the customer relationships over 5 years as they believe that this is a reasonable estimate of the customer attrition rate on the recurring income. Software is being amortised over 5 years as the directors believe this is a reasonable estimate of the useful life of the software given technological advancement and changing market conditions.

Amortisation charges are included in administrative expenses in the income statement.

Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible assets is recognised in profit or loss.

##### **Tangible fixed assets**

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

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

Leasehold improvements	over the lease term
Office equipment and furniture and fittings	over 3-7 years straight line

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.

##### **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.

##### **Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

# **FROG EDUCATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **1 Accounting policies (Continued)**

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

#### **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 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 trade and other debtors, amounts owed by group undertakings 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.



# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2017

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#### 1 Accounting policies (Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, 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.

##### ***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 trade and other 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of 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.

# **FROG EDUCATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **1 Accounting policies (Continued)**

##### **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.

Current and deferred tax is charged or credited to 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 the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. 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 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.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# **FROG EDUCATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2017**

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### **1 Accounting policies (Continued)**

#### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

#### **Research and development**

Research and development expenditure is charged to profits in the period in which it is incurred.

#### **Exceptional costs**

Exceptional costs are material items which derive from events or transactions that fall within the ordinary activities of the company and which individually, or, if of a similar type, in aggregate, need to be disclosed by virtue of their size or incidence if the financial statements are to give a true and fair view.

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

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### 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.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### ***Revenue Recognition***

Determining whether or not to recognise revenue involves a degree of management judgement. The detailed criteria for the recognition of revenue from the sale of goods and services is set out in FRS 102 Section 23 Revenue and, in particular, management must assess whether the company has provided services to the customer before revenue is recognised.

Revenue from the sale of goods, i.e. software license fees, hardware sales and associated items are recognised on delivery, and where applicable, acceptance by the customer, provided that no significant vendor obligations remain, as this is the point at which management consider the risks and rewards of ownership are transferred to the customer, and hence revenue can be recognised in line with FRS 102.

Revenue from the provision of services, i.e. hosted software fees, annual hosting, support and maintenance income and fees for training and consultancy, is recognised as the service is performed, being that on a particular day or over a period of time, as this is the point at which management considers the company has provided services to the customer, and hence revenue can be recognised in line with FRS 102.

#### ***Acquisition intangibles***

The company initially measures the separable intangible assets acquired in a business combination at their fair value at the date of acquisition. Management judgement is required in deriving a number of assumptions which are used in assessing the fair value of each acquisition intangible including the timing and amount of future incremental cash flows expected to be generated by the asset and in calculating an appropriate cost of capital. Management judgement is also required in assessing the useful economic lives of these assets for the purpose of amortisation.

#### ***Impairment of investments and intangible assets***

The company reviews the carrying value of its investments and intangible assets for indications of impairment at each year end. When considering the impairment, several assumptions are made, which are judgemental in nature, relating to the content and the size of the products sold. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. See note 13 for the carrying amount of investments and note 11 for the carrying amount of the intangible assets.

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

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### 2 Judgements and key sources of estimation uncertainty (Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### *Useful economic lives of intangible assets*

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the intangible assets and note 1 for the useful economic lives for each class of assets.

#### *Useful economic lives of tangible fixed assets*

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the tangible fixed assets and note 1 for the useful economic lives for each class of assets.

#### *Impairment of debtors*

The group makes an estimate of the recoverable amount of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £	2016 £
<b>Turnover analysed by class of business</b>		
Education market	2,764,306	3,522,527
Royalty income	1,500,000	2,799,850
	<u>4,264,306</u>	<u>6,322,377</u>
 <b>Other revenue</b>		
Interest income	<u>4,662</u>	<u>15,386</u>

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

### 4 Exceptional costs

	2017 £	2016 £
Exceptional costs	365,879	1,130,607

Exceptional costs of £365,879 (2016 - £1,130,607) relate to bad debt expenses of £349,379 (2016 - £932,507), dilapidation expenses of £16,500 (2016 - £nil) relating to office move costs and redundancy expenses of £nil (2016 - £198,100) relating to costs of a fundamental restructuring.

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Administration	42	62
Development	27	40
	69	102

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	2,874,687	5,160,365
Social security costs	295,188	419,882
Pension costs	58,639	196,221
	3,228,514	5,776,468

### 6 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	619,844	641,480
Company pension contributions to defined contribution schemes	12,721	20,648
	632,565	662,128

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2016 - 5).

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2017

#### 6 Directors' remuneration (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2017 £	2016 £
Remuneration for qualifying services	220,000	312,981
Company pension contributions to defined contribution schemes	-	12,600
	<u>220,000</u>	<u>325,581</u>

#### 7 Operating loss

	2017 £	2016 £
Operating loss for the year is stated after charging/(crediting):		
Exchange losses	-	13
Fees payable to the company's auditor for the audit of the company's financial statements	21,000	21,000
Depreciation of owned tangible fixed assets	53,571	95,298
Profit on disposal of tangible fixed assets	(170)	(1,250)
Amortisation of intangible assets	159,200	159,200
Release of negative goodwill	(81,607)	(81,607)
Operating lease charges	154,328	161,356
	<u>265,222</u>	<u>304,000</u>

The bad debt provision includes £nil (2016 - £931,750) in relation to amounts due from Frogasia Sdn Bhd.

#### 8 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Interest on bank deposits	4,662	15,386
	<u>4,662</u>	<u>15,386</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	4,662	15,386
	<u>4,662</u>	<u>15,386</u>

#### 9 Interest payable and similar expenses

	2017 £	2016 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	3	-
Other finance costs:		
Other interest	1,189	-
	<u>1,192</u>	<u>-</u>

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

### 10 Taxation

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	(24,028)
Adjustments in respect of prior periods	(59,196)	-
<b>Total UK current tax</b>	<b>(59,196)</b>	<b>(24,028)</b>
Foreign current tax on profits for the current period	120,000	167,979
<b>Total current tax</b>	<b>60,804</b>	<b>143,951</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(20,817)	(24,347)
<b>Total tax charge</b>	<b>39,987</b>	<b>119,604</b>

The total tax charge for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2017 £	2016 £
Loss before taxation	(477,780)	(1,337,264)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.75% (2016: 20.00%)	(94,365)	(267,453)
Tax effect of expenses that are not deductible in determining taxable profit	20,033	7,821
Adjustments in respect of prior years	(59,196)	-
Effect of change in corporation tax rate	3,726	(5,237)
Research and development tax credit	-	(15,621)
Foreign income taxed at different rates	96,299	159,982
Losses not utilised	-	240,112
Movement in deferred tax not provided	73,490	-
<b>Taxation charge for the year</b>	<b>39,987</b>	<b>119,604</b>



# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2017

#### 11 Intangible fixed assets

	Negative goodwill £	Software £	Customer relationships £	Total £
<b>Cost</b>				
At 1 July 2016 and 30 June 2017	(408,034)	497,000	299,000	387,966
<b>Amortisation and impairment</b>				
At 1 July 2016	(95,208)	115,967	69,767	90,526
Amortisation charged for the year	(81,607)	99,400	59,800	77,593
At 30 June 2017	(176,815)	215,367	129,567	168,119
<b>Carrying amount</b>				
At 30 June 2017	(231,219)	281,633	169,433	219,847
At 30 June 2016	(312,826)	381,033	229,233	297,440

#### 12 Tangible fixed assets

	Leasehold improvements £	Office equipment and furniture and fittings £	Total £
<b>Cost</b>			
At 1 July 2016	142,659	377,129	519,788
Additions	6,741	12,206	18,947
Disposals	(135,817)	(84,589)	(220,406)
At 30 June 2017	13,583	304,746	318,329
<b>Depreciation and impairment</b>			
At 1 July 2016	131,007	302,023	433,030
Depreciation charged in the year	12,486	41,085	53,571
Eliminated in respect of disposals	(135,817)	(84,589)	(220,406)
At 30 June 2017	7,676	258,519	266,195
<b>Carrying amount</b>			
At 30 June 2017	5,907	46,227	52,134
At 30 June 2016	11,652	75,106	86,758

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

### 13 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	14	16,709	16,709

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 July 2016 & 30 June 2017	16,709
<b>Carrying amount</b>	
At 30 June 2017	16,709
At 30 June 2016	16,709

### 14 Subsidiaries

Details of the company's subsidiaries at 30 June 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Frog Education Sdn Bhd	11th Floor, Yeoh Tiong Lay Plaza, 55 Jalan Bukit Building, 55100 Kuala Lumpur, Malaysia	Development of web environment product	Ordinary	100.00

Frog Education Sdn Bhd is a company incorporated in Malaysia.

The investment in subsidiary is stated at cost.

### 15 Stocks

	2017 £	2016 £
Finished goods and goods for resale	-	2,605

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

### 16 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,102,731	1,401,436
Corporation tax recoverable	72,028	81,760
Amounts owed by group undertakings	2,626,379	1,333,602
Other debtors	87,280	97,035
Prepayments and accrued income	182,643	340,950
	<u>4,071,061</u>	<u>3,254,783</u>
Deferred tax asset (note 21)	-	17,125
	<u>4,071,061</u>	<u>3,271,908</u>
	<b>2017</b>	<b>2016</b>
<b>Amounts falling due after more than one year:</b>	<b>£</b>	<b>£</b>
Prepayments and accrued income	17,357	7,391
	<u>17,357</u>	<u>7,391</u>
<b>Total debtors</b>	<b>4,088,418</b>	<b>3,279,299</b>
	<u>4,088,418</u>	<u>3,279,299</u>

During the year, an impairment loss of £nil (2016 - £931,750) was recognised in respect of trade receivables due from a related party.

### 17 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	133,170	172,974
Corporation tax	15,000	-
Other taxation and social security	290,068	315,516
Other creditors	10,742	26,303
Accruals and deferred income	1,606,747	1,740,853
	<u>2,055,727</u>	<u>2,255,646</u>

Deferred income represents amounts invoiced in advance for annual support contracts and goods and services not yet delivered.

### 18 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Deferred income	-	106,365
	<u>-</u>	<u>106,365</u>

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

### 19 Financial instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	3,864,409	2,912,877
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	442,825	683,513
	<u>          </u>	<u>          </u>

### 20 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	21	85,703	123,645
		<u>          </u>	<u>          </u>
		85,703	123,645
		<u>          </u>	<u>          </u>

### 21 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2017 £	Liabilities 2016 £	Assets 2017 £	Assets 2016 £
<b>Balances:</b>				
Delayed capital allowances	-	-	-	3,446
Fair value uplift on intangible assets	85,703	123,645	-	-
Other timing differences	-	-	-	13,679
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	85,703	123,645	-	17,125
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Movements in the year:</b>				2017 £
Liability at 1 July 2016				106,520
Credit to profit or loss				(20,817)
				<u>          </u>
Liability at 30 June 2017				85,703
				<u>          </u>

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

### 22 Retirement benefit schemes

	2017	2016
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	58,639	196,221

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Included within accruals is £9,417 (2016 - £13,107) of unpaid pension contributions at the year end.

### 23 Share capital

	2017	2016
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
140,277 Ordinary shares of 10p each	14,028	14,028

#### *Ordinary share rights*

Each of the shares carry a voting right and equal rights to participate in any discretionary dividend.

### 24 Reserves

#### **Share premium**

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

#### **Capital redemption reserve**

The nominal value of shares repurchased.

#### **Profit and loss reserves**

Cumulative profit and loss net of distributions to owners.

# FROG EDUCATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

### 25 Cash generated from operations

	2017 £	2016 £
Loss for the year after tax	(517,767)	(1,456,868)
<b>Adjustments for:</b>		
Taxation charged	39,987	119,604
Finance costs	1,192	-
Investment income	(4,662)	(15,386)
Gain on disposal of tangible fixed assets	(170)	(1,250)
Amortisation of intangible assets	77,593	77,593
Depreciation of tangible fixed assets	53,571	95,298
<b>Movements in working capital:</b>		
Decrease in stocks	2,605	8,682
(Increase) in debtors	(835,976)	(644,269)
(Decrease) in creditors	(214,919)	(45,410)
(Decrease) in deferred income falling due after one year	(106,365)	(27,305)
<b>Cash absorbed by operations</b>	<b>(1,504,911)</b>	<b>(1,889,311)</b>

### 26 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	132,906	51,156
Between one and five years	531,066	1,906
In over five years	32,988	-
	<b>696,960</b>	<b>53,062</b>

### 27 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2017 £	2016 £
Aggregate compensation	658,197	712,043

# **FROG EDUCATION LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 JUNE 2017**

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#### **27 Related party transactions (Continued)**

##### **Transactions with related parties**

During the year, G Davies, a director, had a loan account in favour of the company. The loan had a maximum balance outstanding of £60,000 (2016 - £60,000) and was unsecured, repayable on demand and not interest bearing. The balance at the year end was £60,000 (2016 - £nil) and £nil (2016 - £1,130) was repaid during the year. This is included within other debtors at the year end.

During the year, the company paid £8,716 (2016 - £8,250) to SH & MW Commercial, a partnership owned by S Holt and M Wilkinson, directors of the company, in respect of rent charges for its Doncaster office. At the year end a balance of £2,057 (2016 - £nil) was owed by the company to SH & MW Commercial and is included within trade creditors. The balance is unsecured, repayable on demand and interest free.

During the year the company invoiced Trinity Multi Academy Trust, an academy trust in which G Davies is a director, £12,681 (2016 - £12,681). At the year end, the academy trust owed the company £12,681 (2016 - £9,498) which is included within debtors. The balance is unsecured, interest free and repayable on demand.

Included within administrative expenses is a bad debt provision of £nil (2016 - £931,750) in relation to amounts due from Frogasia Sdn Bhd, a fellow group company.

#### **28 Controlling party**

The ultimate controlling party of Frog Education Limited is considered to be the Yeoh family by virtue of its control of Yeoh Tiong Lay & Sons Holdings Sdn Bhd, a company incorporated in Malaysia and the ultimate parent company of Frog Education Limited. The immediate parent company is Frog Education Group Limited.

The smallest and largest group for which consolidated accounts including Frog Education Limited are prepared is that headed by YTL Power International Berhad, a company listed in Malaysia. The accounts are publicly available and can be obtained from the company's registered office, 11th Floor, Yeoh Tiong Lay Plaza, 55 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia.