

Company Registration No. 06912620 (England and Wales)

SALT SEARCH LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR



SALT SEARCH LIMITED

COMPANY INFORMATION

Directors	P D A Schiavo M Schiavo E Dell
Company number	06912620
Registered office	9 Wootton Street London SE1 8TG
Auditor	Beavis Morgan Audit Limited 82 St John Street London EC1M 4JN

SALT SEARCH LIMITED

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SALT SEARCH LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	6		56,099		11,378
Current assets					
Debtors	7	4,521,563		3,452,427	
Cash at bank and in hand		177,216		83,950	
		<u>4,698,779</u>		<u>3,536,377</u>	
Creditors: amounts falling due within one year	8	<u>(3,039,387)</u>		<u>(2,443,923)</u>	
Net current assets			1,659,392		1,092,454
Total assets less current liabilities			<u>1,715,491</u>		<u>1,103,832</u>
Provisions for liabilities			(13,619)		(13,619)
Net assets			<u>1,701,872</u>		<u>1,090,213</u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss reserves			1,701,871		1,090,212
Total equity			<u>1,701,872</u>		<u>1,090,213</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 21/12/2020 and are signed on its behalf by:


.....
P D A Schiavo
Director

Company Registration No. 06912620

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Salt Search Limited is a private company limited by shares incorporated in England and Wales. The registered office is 9 Wootton Street, London, SE1 8TG.

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 £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of recruitment services provided, exclusive of Value Added Tax, and is recognised when candidates commence permanent employment. A provision is recognised where a rebate is due should the candidate cease permanent employment within the agreed terms of business.

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:

Leasehold improvements	Over the term of the lease
Office Equipment	25% 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.

1.5 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.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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, loans advanced to fellow group members 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, loans made to fellow group members and invoice finance facilities 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.

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

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.

1.8 Equity instruments

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

1.9 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.

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

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.

1.10 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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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.

Judgement has been required when deciding whether outstanding debtors are recoverable and whether there is any need for provisions against bad debts.

Judgement has also been applied to determine asset lives, drop out provision in relation to permanent placements and allocation of administrative expenses.

3 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	14,138	11,340
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 63 (2018 - 57).

5 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	117,217	31,629
	<u> </u>	<u> </u>

During the year the company received a tax credit in relation to research and development in the sum of £21,950 (2018: £62,273)

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2019	8,008	384,119	392,127
Additions	-	53,045	53,045
At 31 December 2019	8,008	437,164	445,172
Depreciation and impairment			
At 1 January 2019	8,008	372,741	380,749
Depreciation charged in the year	-	8,324	8,324
At 31 December 2019	8,008	381,065	389,073
Carrying amount			
At 31 December 2019	-	56,099	56,099
At 31 December 2018	-	11,378	11,378

7 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	475,469	986,290
Corporation tax recoverable	3,900	-
Amounts owed by group undertakings	792,241	386,345
Other debtors	3,249,953	2,079,792
	4,521,563	3,452,427

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank overdrafts	-	2,818
Trade creditors	230,752	196,140
Amounts owed to group undertakings	1,696,820	349,526
Corporation tax	68,736	105,495
Other taxation and social security	355,940	572,478
Other creditors	687,139	1,217,466
	<u>3,039,387</u>	<u>2,443,923</u>

Included within other creditors is £254,233 (2018: £354,465) relating to invoice financing liabilities which are secured by fixed and floating charges over the assets of the company.

9 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

10 Audit report information

As the income statement 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 Richard Thacker.
The auditor was Beavis Morgan Audit Limited.

11 Financial commitments, guarantees and contingent liabilities

Salt Search Limited is party to a cross guarantee for fellow subsidiary companies of Salt Recruitment Group Limited in respect of amounts owed under an invoice finance agreement.

The amount guaranteed by the company under this agreement at 31 December 2019 was £4,834,283 (2018: £3,578,484) which are secured by fixed and floating charges over the assets of the company as per the debenture dated 10th January 2017.

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Operating lease commitments

Lessee

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

2019	2018
£	£
34,063	60,742
<u>34,063</u>	<u>60,742</u>

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Related party transactions

Related undertakings consist of the following subsidiaries of Salt Recruitment Group Limited:

Salt Recruitment Limited 100% subsidiary
Salt Global Limited 100% subsidiary
Salt Contracts Limited 100% subsidiary
Salt Staffing Inc. 100% subsidiary
Salt HR Consultancy 90% subsidiary

As permitted under FRS102 s33.1A, the financial statements do not disclose transactions with the parent undertaking and fellow subsidiaries.

During the year, the company entered into transactions with related parties. Transactions entered into, and balances outstanding as at year end are:

Related party	Purchases from related party (£)	Sales to related party (£)	Advances from related party (£)	Advances made to related party (£)	Amounts owed to related party (£)	Amounts owed by related party (£)
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Entities under common control

2019	187,344	-	-	1,214,954	-	2,350,954
2018	285,328	-	-	1,136,000	219,170	1,136,000*

Entities over which the parent company has significant influence

2019	-	-	-	-	-	627,752
2018	-	-	-	-	-	696,326

Parent company and other group members

2019	-	-	-	-	1,696,820	792,241
2018	-	-	-	-	349,526	386,344

*This represents amounts advanced to a related party company on 1 April 2018 in which the directors have control and significant influence. The loan is unsecured, bears an interest rate of 1.75% (1.55% from April 2019) over 3 month LIBOR, and is due for repayment on 1 April 2020.

During the year, advances totalling £9,610 (2018: £60,000) and repayments totalling £12,345 (2018: £271,006) were made by PDA Schiavo and advances totalling £103,324 (2018: £84,000) and repayments totalling £138,324 (2018: £112,000) were made by M Schiavo, who are directors of the company.

At the balance sheet date, the company was owed £Nil (2018: £21,755) and £Nil (2018: £35,000) by PDA Schiavo and M Schiavo respectively.

During the year, advances totalling £12,000 (2018: £Nil) were made to E Dell, a director of the company and at the balance sheet date the company was owed £12,000 by E Dell.

During the year total remuneration paid to the directors was £163,800 (2018: £111,147)

SALT SEARCH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

14 Parent company

The ultimate parent company is Salt Recruitment Group Limited, a company registered in England and Wales. At 31 December 2019 there was no overall controlling party.

Salt Recruitment Group Limited is the largest and smallest group in which the results of the Company are consolidated. Financial statements for Salt Recruitment Group Limited are publicly available from Companies House.