

Company Registration No. 06912620 (England and Wales)

**SALT SEARCH LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**PAGES FOR FILING WITH REGISTRAR**

**SALT SEARCH LIMITED**

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# SALT SEARCH LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

|                                                                | Notes | 2021<br>£          | £                       | 2020<br>£          | £                     |
|----------------------------------------------------------------|-------|--------------------|-------------------------|--------------------|-----------------------|
| <b>Fixed assets</b>                                            |       |                    |                         |                    |                       |
| Tangible assets                                                | 6     |                    | 60,665                  |                    | 63,107                |
| <b>Current assets</b>                                          |       |                    |                         |                    |                       |
| Debtors                                                        | 7     | 5,771,658          |                         | 2,109,753          |                       |
| Cash at bank and in hand                                       |       | 73,230             |                         | 428,454            |                       |
|                                                                |       | <u>5,844,888</u>   |                         | <u>2,538,207</u>   |                       |
| <b>Creditors: amounts falling due within one year</b>          | 8     | <u>(4,560,061)</u> |                         | <u>(2,048,551)</u> |                       |
| <b>Net current assets</b>                                      |       |                    | <u>1,284,827</u>        |                    | <u>489,656</u>        |
| <b>Total assets less current liabilities</b>                   |       |                    | <u>1,345,492</u>        |                    | <u>552,763</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 9     |                    | (42,500)                |                    | -                     |
| <b>Provisions for liabilities</b>                              |       |                    | <u>(13,619)</u>         |                    | <u>(13,619)</u>       |
| <b>Net assets</b>                                              |       |                    | <u><u>1,289,373</u></u> |                    | <u><u>539,144</u></u> |
| <b>Capital and reserves</b>                                    |       |                    |                         |                    |                       |
| Called up share capital                                        |       |                    | 1                       |                    | 1                     |
| Profit and loss reserves                                       |       |                    | <u>1,289,372</u>        |                    | <u>539,143</u>        |
| <b>Total equity</b>                                            |       |                    | <u><u>1,289,373</u></u> |                    | <u><u>539,144</u></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 29 September 2022 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 2021

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### 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. The principal accounting policies adopted are set out below.

#### 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.

# SALT SEARCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 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 2021

### 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 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **1.14 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 in the period are included in profit or loss.

# SALT SEARCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 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.

#### 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.

#### Dropper provision

When a candidate is placed in employment, refunds may be due if the candidate leaves within an agreed timeframe. The company estimates a dropper provision for such instances. The provision is calculated as 3% of permanent fees recognised in the last three months of the financial year. The rate applied is based on historical averages. The provision recognised at the reporting date is £62,718 (2020: £20,527) and is recognised in other creditors.

### 3 Employees

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

|       | 2021<br>Number | 2020<br>Number |
|-------|----------------|----------------|
| Total | 56             | 58             |

### 4 Exceptional items

|                                             | 2021<br>£ | 2020<br>£   |
|---------------------------------------------|-----------|-------------|
| Amounts written off connected company loans | -         | (1,475,569) |

In the prior year, £2,403,075 provided to connected companies were written off. Loans provided to the company from a fellow subsidiary totalling £927,506 were also forgiven.

### 5 Taxation

|                                           | 2021<br>£ | 2020<br>£ |
|-------------------------------------------|-----------|-----------|
| <b>Current tax</b>                        |           |           |
| UK corporation tax for the current period | 178,353   | 66,983    |
| Adjustments in respect of prior periods   | -         | (16,384)  |
| Total current tax                         | 178,353   | 50,599    |

# SALT SEARCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Tangible fixed assets

|                                    | Land and<br>buildings | Plant and<br>machinery etc | Total   |
|------------------------------------|-----------------------|----------------------------|---------|
|                                    | £                     | £                          | £       |
| <b>Cost</b>                        |                       |                            |         |
| At 1 January 2021                  | 8,008                 | 463,317                    | 471,325 |
| Additions                          | -                     | 26,730                     | 26,730  |
| At 31 December 2021                | 8,008                 | 490,047                    | 498,055 |
| <b>Depreciation and impairment</b> |                       |                            |         |
| At 1 January 2021                  | 8,008                 | 400,210                    | 408,218 |
| Depreciation charged in the year   | -                     | 29,172                     | 29,172  |
| At 31 December 2021                | 8,008                 | 429,382                    | 437,390 |
| <b>Carrying amount</b>             |                       |                            |         |
| At 31 December 2021                | -                     | 60,665                     | 60,665  |
| At 31 December 2020                | -                     | 63,107                     | 63,107  |

### 7 Debtors

|                                             | 2021<br>£ | 2020<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 1,079,658 | 68,532    |
| Corporation tax recoverable                 | 3,900     | 3,900     |
| Amounts owed by group undertakings          | 2,645,288 | 926,311   |
| Other debtors                               | 1,325,967 | 1,111,010 |
|                                             | 5,054,813 | 2,109,753 |

# SALT SEARCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Debtors (Continued)

|                                               | 2021<br>£        | 2020<br>£        |
|-----------------------------------------------|------------------|------------------|
| Amounts falling due after more than one year: |                  |                  |
| Other debtors                                 | 716,845          | -                |
| <b>Total debtors</b>                          | <b>5,771,658</b> | <b>2,109,753</b> |

The amounts falling due after more than one year are due from related parties which have been mentioned in the note 14 - Related party transactions.

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

|                                    | 2021<br>£        | 2020<br>£        |
|------------------------------------|------------------|------------------|
| Bank loan                          | 7,500            | -                |
| Trade creditors                    | 334,644          | 194,080          |
| Amounts owed to group undertakings | 1,268,490        | 73,857           |
| Corporation tax                    | 73,019           | 55,189           |
| Other taxation and social security | 1,053,636        | 1,333,259        |
| Other creditors                    | 1,822,772        | 392,166          |
|                                    | <b>4,560,061</b> | <b>2,048,551</b> |

Included within other creditors is £493,687 (2020: £182,515 debtor, included in other debtors) relating to an invoice financing facility which is secured by fixed and floating charges over the assets of the company.

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

|           | 2021<br>£ | 2020<br>£ |
|-----------|-----------|-----------|
| Bank loan | 42,500    | -         |

### 10 Loans and overdrafts

|                         | 2021<br>£ | 2020<br>£ |
|-------------------------|-----------|-----------|
| Bank loans              | 50,000    | -         |
| Payable within one year | 7,500     | -         |
| Payable after one year  | 42,500    | -         |

# SALT SEARCH LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 11 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 and the auditor was Beavis Morgan Audit Limited.

### 12 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 2021 was £3,589,960 (2020: £1,120,441) which are secured by fixed and floating charges over the assets of the company as per the debenture dated 10th January 2017.

### 13 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:

| 2021   | 2020  |
|--------|-------|
| £      | £     |
| 55,468 | 7,310 |

### 14 Related party transactions

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

#### Balances with members within the same group

At the balance sheet date, the company was owed £2,645,288 (2020: £1,675,499) from members within the same group.

At the balance sheet date, the company owed £1,268,490 (2020: £40,355) to members within the same group.

#### Balances with related parties

At the balance sheet date, the company was owed £1,057,362 (2020: £nil) from companies related by virtue of common shareholders and directors. The loans are unsecured and bear an interest rate of 1.5% over the Bank of England base rate p.a.

#### Balances with directors

At the balance sheet date, directors P D A Schiavo and E Dell owed the company £721,677 (2020: £2,000) and £10,000 (2020: £12,000) respectively. Interest is charged at 2.25% p.a.

## **SALT SEARCH LIMITED**

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

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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#### **15 Parent company**

The ultimate parent company is Salt Recruitment Group Limited, a company registered in England and Wales. At 31 December 2021 there was no one 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.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.