

IT SKILLFINDER LIMITED
UNAUDITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

RPG CROUCH CHAPMAN LLP
Chartered Accountants
62 Wilson Street
London
EC2A 2BU



IT SKILLFINDER LIMITED

COMPANY INFORMATION

Director	D. Hall
Company secretary	G. Brummer
Registered number	04974279
Registered office	PO Box EC3R 7QR 6th Floor 50 Mark Lane London EC3R 7QR
Trading Address	PO Box EC3R 7QR 6th Floor 50 Mark Lane London EC3R 7QR
Accountants	RPG Crouch Chapman LLP Chartered Accountants 62 Wilson Street London EC2A 2BU

IT SKILLFINDER LIMITED

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IT SKILLFINDER LIMITED

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The director presents his report and the financial statements for the year ended 31 March 2019.

Director

The director who served during the year was:

D. Hall

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 03/12/2019 and signed on its behalf.



D. Hall
Director

IT SKILLFINDER LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE
UNAUDITED STATUTORY FINANCIAL STATEMENTS OF IT SKILLFINDER LIMITED
FOR THE YEAR ENDED 31 MARCH 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of IT Skillfinder Limited for the year ended 31 March 2019 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the director of IT Skillfinder Limited in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of IT Skillfinder Limited and state those matters that we have agreed to state to the director of IT Skillfinder Limited in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than IT Skillfinder Limited and its director for our work or for this report.

It is your duty to ensure that IT Skillfinder Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of IT Skillfinder Limited. You consider that IT Skillfinder Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of IT Skillfinder Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



RPG Crouch Chapman LLP

Chartered Accountants

62 Wilson Street

London

EC2A 2BU

Date: 03/12/19

IT SKILLFINDER LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover		10,905,194	10,289,207
Cost of sales		(8,824,626)	(8,327,845)
Gross profit		<u>2,080,568</u>	<u>1,961,362</u>
Administrative expenses		(1,803,417)	(1,674,435)
Other operating charges		(10,926)	(15,031)
Operating profit		<u>266,225</u>	<u>271,896</u>
Interest receivable and similar income		200	76
Interest payable and expenses		(27,785)	(42,373)
Profit before tax		<u>238,640</u>	<u>229,599</u>
Tax on profit	5	(48,215)	(58,384)
Profit for the financial year		<u><u>190,425</u></u>	<u><u>171,215</u></u>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 7 to 18 form part of these financial statements.

IT SKILLFINDER LIMITED

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	6	21,449	10,805
Investments	7	33,382	27,475
		<u>54,831</u>	<u>38,280</u>
Current assets			
Debtors: amounts falling due after more than one year	8	88,172	142,991
Debtors: amounts falling due within one year	8	1,689,761	1,448,731
Cash at bank and in hand	9	337,253	218,920
		<u>2,115,186</u>	<u>1,810,642</u>
Creditors: amounts falling due within one year	10	(1,333,877)	(1,104,886)
Net current assets		<u>781,309</u>	<u>705,756</u>
Total assets less current liabilities		<u>836,140</u>	<u>744,036</u>
Provisions for liabilities			
Deferred tax	12	(2,831)	(1,152)
		<u>(2,831)</u>	<u>(1,152)</u>
Net assets		<u><u>833,309</u></u>	<u><u>742,884</u></u>
Capital and reserves			
Called up share capital		1,002	1,002
Profit and loss account		832,307	741,882
		<u><u>833,309</u></u>	<u><u>742,884</u></u>

IT SKILLFINDER LIMITED

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 03/12/19



D. Hall
Director

The notes on pages 7 to 18 form part of these financial statements.

IT SKILLFINDER LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2018	1,002	741,882	742,884
Comprehensive income for the year			
Profit for the year	-	190,425	190,425
Total comprehensive income for the year	-	190,425	190,425
Dividends: Equity capital	-	(100,000)	(100,000)
Total transactions with owners	-	(100,000)	(100,000)
At 31 March 2019	1,002	832,307	833,309

The notes on pages 7 to 18 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2017	1,002	690,667	691,669
Comprehensive income for the year			
Profit for the year	-	171,215	171,215
Total comprehensive income for the year	-	171,215	171,215
Dividends: Equity capital	-	(120,000)	(120,000)
Total transactions with owners	-	(120,000)	(120,000)
At 31 March 2018	1,002	741,882	742,884

The notes on pages 7 to 18 form part of these financial statements.

IT SKILLFINDER LIMITED

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

1. General information

I.T. Skillfinder Limited is a company registered in the United Kingdom (registered no 04974279).

The registered office is 6th Floor, Mark Lane, London, EC3R 7QR.

The principal activity of the company is that of recruitment agents for the IT industry.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue comprises amount recognised by the company in respect of recruitment services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

IT SKILLFINDER LIMITED

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

2. Accounting policies (continued)

Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

IT SKILLFINDER LIMITED

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

2. Accounting policies (continued)

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	-	25% straight line
Leasehold improvements	-	15% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

IT SKILLFINDER LIMITED

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

2. Accounting policies (continued)

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

IT SKILLFINDER LIMITED

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

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

IT SKILLFINDER LIMITED

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

3. Judgments in applying accounting policies 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 amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Revenue recognition

An appropriate proportion of revenue, sufficient to cover future costs and margin, is deferred to future periods when the Company has obligations extending to future periods. As a result, judgement is required in assessing the extent and associated costs of fulfilling those future obligations.

Estimated useful lives and residual values of fixed assets

Deprecation of tangible and intangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the Directors. Estimated useful lives and residual values are reviewed annually and will be revised as appropriate.

4. Employees

The average monthly number of employees, including the director, during the year was as follows:

	2019 No.	2018 No.
Director	1	1
Staff	29	26
	<u>30</u>	<u>27</u>

IT SKILLFINDER LIMITED

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

5. Taxation

	2019 £	2018 £
<u>Corporation tax</u>		
Current tax on profits for the year	46,536	46,351
Adjustments in respect of previous periods	-	12,408
	<u>46,536</u>	<u>58,759</u>
<u>Total current tax</u>	<u>46,536</u>	<u>58,759</u>
<u>Deferred tax</u>		
Origination and reversal of timing differences	1,679	(375)
<u>Total deferred tax</u>	<u>1,679</u>	<u>(375)</u>
<u>Taxation on profit on ordinary activities</u>	<u>48,215</u>	<u>58,384</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>238,640</u>	<u>229,599</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	45,342	43,624
<u>Effects of:</u>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,071	2,308
Capital allowances for year in excess of depreciation	(2,160)	419
Adjustments to tax charge in respect of prior periods	-	12,408
Short term timing difference leading to an increase (decrease) in taxation	283	-
Other timing differences leading to an increase (decrease) in taxation	1,679	(375)
<u>Total tax charge for the year</u>	<u>48,215</u>	<u>58,384</u>

IT SKILLFINDER LIMITED

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

5. Taxation (continued)

Factors that may affect future tax charges

Reductions to the UK Corporation tax rates were substantially enacted as part of the Finance Bill (No 2) 2015 on 18 November 2015. This reduced the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020.

A further reduction to the UK corporation tax was announced in the March 2016 budget reducing the main rate to 17% from 1 April 2020.

6. Tangible fixed assets

	Leasehold Improvement £	Fixtures & fittings £	Total £
<u>Cost or valuation</u>			
At 1 April 2018	57,537	142,081	199,618
Additions	-	20,311	20,311
At 31 March 2019	<u>57,537</u>	<u>162,392</u>	<u>219,929</u>
<u>Depreciation</u>			
At 1 April 2018	57,537	131,275	188,812
Charge for the year on owned assets	-	9,668	9,668
At 31 March 2019	<u>57,537</u>	<u>140,943</u>	<u>198,480</u>
<u>Net book value</u>			
At 31 March 2019	<u>-</u>	<u>21,449</u>	<u>21,449</u>
At 31 March 2018	<u>-</u>	<u>10,805</u>	<u>10,805</u>

IT SKILLFINDER LIMITED

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

7. Fixed asset investments

	Investments in subsidiary companies £
<u>Cost or valuation</u>	
At 1 April 2018	27,475
Additions	5,907
At 31 March 2019	<u>33,382</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Skillfinder GmbH	Germany	Ordinary	100%
Skillfinder SARL	Luxembourg	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Skillfinder GmbH	55,242	(82,259)
Skillfinder SARL	288,078	258,472

IT SKILLFINDER LIMITED

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

8. Debtors

	2019 £	2018 £
<u>Due after more than one year</u>		
Amounts owed by group undertakings	88,172	142,991
	<u>88,172</u>	<u>142,991</u>
	2019 £	2018 £
<u>Due within one year</u>		
Trade debtors	498,211	307,395
Other debtors	86,869	150,002
Prepayments and accrued income	1,104,681	991,334
	<u>1,689,761</u>	<u>1,448,731</u>

9. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	337,253	218,920
	<u>337,253</u>	<u>218,920</u>

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	535,459	512,430
Corporation tax	46,536	46,351
Other taxation and social security	37,423	41,765
Other creditors	140,321	53,238
Accruals and deferred income	574,138	451,102
	<u>1,333,877</u>	<u>1,104,886</u>

A fixed and floating charge dated 5th November 2015 was created for securing all monies due, or to become due, from the company to RBS Invoice Finance Limited. Included within other creditors are advances of £128,754 (2018: £48,045) in respect of amounts due under invoice discounting arrangements.

IT SKILLFINDER LIMITED

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

11. Financial instruments

	2019 £	2018 £
<u>Financial assets</u>		
Financial assets that are debt instruments measured at amortised cost	<u>922,333</u>	<u>676,317</u>
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	<u>1,239,747</u>	<u>1,016,770</u>

Financial assets measured at amortised cost comprise bank and cash, trade debtor and other debtor balances.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accrued expenses.

12. Deferred taxation

	2019 £
At beginning of year	(1,152)
Charged to profit or loss	(1,679)
<u>At end of year</u>	<u>(2,831)</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(2,548)	(1,152)
Pension surplus	(283)	-
	<u>(2,831)</u>	<u>(1,152)</u>

13. Pension commitments

The company operates a group personal pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds.

Contributions by the company to the group personal pension scheme amounted to £12,902 (2018: £4,860). Contributions totalling £2,475 (2018: £985) were payable to the fund at the balance sheet date and are included in creditors.

IT SKILLFINDER LIMITED

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

14. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
<u>Land and buildings</u>		
Not later than 1 year	45,670	119,925
Later than 1 year and not later than 5 years	419,902	11,500
	<u>465,572</u>	<u>131,425</u>
	2019 £	2018 £
<u>Other</u>		
Not later than 1 year	5,546	4,200
Later than 1 year and not later than 5 years	9,643	10,897
	<u>15,189</u>	<u>15,097</u>

15. Controlling party

The ultimate controlling party is the director, D. Hall, who owns 80% of the ordinary share capital of the company.