

JOBSEVE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

JOBSEERVE LIMITED

COMPANY INFORMATION

Director	R Cowling
Registered number	02847010
Registered office	Tower Business Park Kelvedon Road Tiptree Colchester Essex CO5 0LX
Independent auditor	Scrutton Bland LLP Chartered Accountants & Statutory Auditor Fitzroy House Crown Street Ipswich Suffolk IP1 3LG

JOBserve LIMITED

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JOBserve LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

Business review

The director presents the financial statements for the year ended 30 September 2019.

Turnover for the year has decreased to £8,623,948 (2018: £10,155,125) as a result of instability in the job market. Profit before tax has reduced to £6,247,094 (2018: £6,538,744) as a result of the decrease in turnover.

Principal risks and uncertainties

The company's principal financial instruments comprise of trade debtors and trade creditors arising directly from operations.

The company's approach to managing the principal risks and uncertainties are show below.

Interest rate risk:

The company is not exposed to interest rate risk.

Liquidity and cash flow risk:

The company is not exposed to significant liquidity risk as it has no third party long-term liabilities. The cash flow of the company is carefully monitored with cash flow forecasts prepared and regularly reviewed by the director to ensure that there is sufficient liquidity within the company.

Credit risk:

The company has minimal exposure to credit risk as the nature of the job board trading activities involves payments in advance. Where customers wish to trade on credit terms, they are subject to credit verification procedures.

Price risk:

The company reviews its sales prices on an annual basis to ensure it remains competitive.

Brexit risk:

The company acknowledges Brexit represents a risk and an uncertainty going forward so is monitoring developments to ensure that the impact of Brexit is positively managed.

COVID-19 risk:

COVID-19 represents a significant risk to the business, however the company's services and infrastructure are well placed to mitigate the risk.

Financial key performance indicators

The financial key performance indicator is the operating profit before provisions against intercompany loans of £5,277,106 (2018: £6,939,393).

JOBserve LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Other key performance indicators

The significant non-financial key performance indicator that the company measures for its recruitment services is the time taken to post a job. This was measured at 1.0 week for the current year (2018: 1.0 week).

This report was approved by the board on 19 March 2020 and signed on its behalf.

R Cowling
Director

JOBSEVE LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

The director presents his report and the financial statements for the year ended 30 September 2019.

Director's responsibilities statement

The director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Principal activity

The principal activity of the company continued to be the operation of a jobboard.

Results and dividends

The profit for the year, after taxation, amounted to £4,628,052 (2018 - £4,645,756).

Particulars of dividends can be found in note 13.

Director

The director who served during the year was:

R Cowling

Matters covered in the strategic report

Details of the company's financial risk management objectives and policies, including its use of financial instruments and other key risks to which it is exposed, are included in the Strategic Report.

JOBSEVE LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

Overseas branch

Included in the financial statements are the results of Jobserve Australia. The branch is located outside the United Kingdom.

Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

The impact of COVID-19 since the year-end does not have an effect of the financial position set out in these financial statements. The director is keeping the situation under constant review to ensure the cashflow and services are managed effectively.

This report was approved by the board on 19 March 2020 and signed on its behalf.

R Cowling

Director

JOBSEERVE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOBSEERVE LIMITED

Opinion

We have audited the financial statements of Jobserve Limited (the 'Company') for the year ended 30 September 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 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 September 2019 and of its profit 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 United Kingdom, including the Financial Reporting Council'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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

The director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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

JOBserve LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOBserve LIMITED (CONTINUED)

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.

Opinion 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

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 or the Director's Report.

We have nothing to report in respect of the following matters in relation to which 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 director's 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 Director's Responsibilities Statement on page 3, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

JOBSEVE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOBSEVE LIMITED (CONTINUED)

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our 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.

Susan Gull (Senior Statutory Auditor)

for and on behalf of

Scrutton Bland LLP

Chartered Accountants

Statutory Auditor

Fitzroy House

Crown Street

Ipswich

Suffolk

IP1 3LG

19 March 2020

JOBserve LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Note	2019 £	2018 £
Turnover	4	8,623,948	10,155,125
Cost of sales		(2,169,496)	(1,989,830)
Gross profit		6,454,452	8,165,295
Exceptional administrative expenses	14	(2,216,245)	(3,248,117)
Administrative expenses		(1,768,314)	(2,188,000)
Other operating income	5	590,968	962,098
Operating profit	6	3,060,861	3,691,276
Interest receivable and similar income	10	3,221,699	2,891,801
Interest payable and expenses	11	(35,466)	(44,333)
Profit before tax		6,247,094	6,538,744
Tax on profit	12	(1,619,042)	(1,892,988)
Profit for the financial year		4,628,052	4,645,756
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Other comprehensive income		19,559	80,553
		19,559	80,553
Total comprehensive income for the year		4,647,611	4,726,309

The notes on pages 12 to 27 form part of these financial statements.

JOBSERVE LIMITED

REGISTERED NUMBER:02847010

BALANCE SHEET**AS AT 30 SEPTEMBER 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	16	823,647	939,226
Current assets			
Debtors: amounts falling due after more than one year	17	37,031,303	33,101,506
Debtors: amounts falling due within one year	17	417,101	532,514
Cash at bank and in hand	18	526,262	71,917
		<u>37,974,666</u>	<u>33,705,937</u>
Creditors: amounts falling due within one year	19	(5,670,277)	(5,223,422)
Net current assets		<u>32,304,389</u>	<u>28,482,515</u>
Total assets less current liabilities		<u>33,128,036</u>	<u>29,421,741</u>
Creditors: amounts falling due after more than one year	20	(188,400)	(454,375)
		<u>32,939,636</u>	<u>28,967,366</u>
Provisions for liabilities			
Deferred taxation		(1,426)	-
Net assets		<u><u>32,938,210</u></u>	<u><u>28,967,366</u></u>
Capital and reserves			
Called up share capital	23	100	100
Other reserves	24	100,112	80,553
Profit and loss account	24	32,837,998	28,886,713
		<u><u>32,938,210</u></u>	<u><u>28,967,366</u></u>

JOBserve LIMITED**REGISTERED NUMBER:02847010****BALANCE SHEET (CONTINUED)****AS AT 30 SEPTEMBER 2019**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 March 2020.

R Cowling

Director

The notes on pages 12 to 27 form part of these financial statements.

JOBSERVE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 October 2018	100	80,553	28,886,713	28,967,366
Profit for the year	-	-	4,628,052	4,628,052
Translation movement	-	19,559	-	19,559
Dividends: Equity capital	-	-	(676,767)	(676,767)
At 30 September 2019	100	100,112	32,837,998	32,938,210

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 October 2017	100	-	24,943,657	24,943,757
Profit for the year	-	-	4,645,756	4,645,756
Translation movement	-	80,553	-	80,553
Dividends: Equity capital	-	-	(702,700)	(702,700)
At 30 September 2018	100	80,553	28,886,713	28,967,366

The notes on pages 12 to 27 form part of these financial statements.

JOB SERVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. General information

JobServe Limited (the "Company") is a company limited by shares, incorporated and domiciled in England and Wales. The address of the registered office is Aspire House, Tower Business Park, Kelvedon Road, Tiptree, Essex CO5 0LX.

2. Accounting policies

2.1 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 company is exempt from preparing a cash flow statement as it is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12.

The company is exempt from producing consolidated financial statements on the basis that it is a wholly-owned subsidiary of Aspire Media Group Limited which has the same registered office.

The following principal accounting policies have been applied:

2.2 Going concern

The director considers it appropriate to prepare the financial statements on a going concern basis for a period of one year from the approval of these financial statements.

The director is reviewing the ongoing developments in respect to COVID-19 to ensure that cashflow is positively managed and the impact to the company's operations is mitigated. The company's principal activity is IT recruitment services which can be operated remotely. A detailed cashflow forecast has been prepared and the company continues to invest in its technology to ensure it generates sufficient cash for the company to adopt the going concern basis of preparation for 12 months from approval of these financial statements.

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Turnover on the sale of job credits is recognised at the earlier of job credits being utilised by a customer or three years after the issue of job credits.

Turnover on the sale of access to databases are spread across the period to which they are available to the customer.

2.5 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.

2.6 Interest income

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

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 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.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.11 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 or reducing balance method.

Depreciation is provided on the following basis:

Leasehold improvements	-	25% reducing balance
Motor vehicles	-	20% reducing balance
Office equipment	-	25% reducing balance
Computer equipment	-	2 years straight line
Land and buildings	-	10 - 25 years 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.

2.12 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.

2.13 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.

2.14 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.

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.15 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.

2.16 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.

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.

2.17 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.

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items where these judgements and estimates have been made include:

Commercial rates of interest are charged on the amounts owed by group undertakings due after more than one year. Consequently, the director does not consider it necessary to make any adjustments to the balances in order to recognise them at amortised cost.

Provisions are made for loans that are considered to be irrecoverable based on the anticipated future profitability of the debtors.

A provision is made against deferred income for job credits not used within 3 years of purchase and recognised as turnover in the Statement of Comprehensive Income.

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Jobboard	8,509,542	10,041,738
Rental of facilities	114,406	113,387
	<u>8,623,948</u>	<u>10,155,125</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	<u>8,623,948</u>	<u>10,155,125</u>

Overseas income is not material to these financial statements.

5. Other operating income

	2019 £	2018 £
Other operating income	<u>590,968</u>	<u>962,098</u>

JOBserve LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

6. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Exchange differences	(263,795)	(40,039)
Other operating lease rentals	<u>320,367</u>	<u>332,007</u>

7. Auditor's remuneration

	2019 £	2018 £
Fees payable for the audit	<u>14,400</u>	<u>14,400</u>

8. Employees

Staff costs, including director's remuneration, were as follows:

	2019 £	2018 £
Wages and salaries	2,204,557	2,340,004
Social security costs	254,152	241,897
Cost of defined contribution scheme	78,234	62,449
	<u>2,536,943</u>	<u>2,644,350</u>

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

	2019 No.	2018 No.
IT developers, administration and management	68	61
Sales	16	16
	<u>84</u>	<u>77</u>

JOBSERVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

9. Director's remuneration

	2019 £	2018 £
Director's emoluments	<u>12,493</u>	<u>12,529</u>

The director's remuneration equates to key management personnel compensation. There are no members of key management other than the director.

10. Interest receivable

	2019 £	2018 £
Interest receivable from group companies	<u>3,221,699</u>	<u>2,891,801</u>

11. Interest payable and similar expenses

	2019 £	2018 £
Other loan interest payable	<u>35,466</u>	<u>44,333</u>

12. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	1,798,813	2,111,282
Adjustments in respect of previous periods	(181,716)	(216,362)
Total current tax	<u>1,617,097</u>	<u>1,894,920</u>
Deferred tax		
Origination and reversal of timing differences	<u>1,945</u>	<u>(1,932)</u>
Taxation on profit on ordinary activities	<u>1,619,042</u>	<u>1,892,988</u>

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (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>6,247,094</u>	<u>6,538,744</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	1,186,948	1,242,361
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	421,087	617,143
Capital allowances for year in excess of depreciation	11,239	5,116
Utilisation of tax losses	(611,782)	(844,522)
Adjustments to tax charge in respect of prior periods	(181,716)	(216,362)
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	-	1,119
Change in rate of tax	(230)	5,253
Subvention payments	793,496	1,082,880
Total tax charge for the year	<u><u>1,619,042</u></u>	<u><u>1,892,988</u></u>

Factors that may affect future tax charges

The government has announced plans to repeal the legislated reduction in the main rate of corporation tax to 17% for financials years from 2020. The main rate of corporation tax will remain at 19%.

13. Dividends

	2019 £	2018 £
Dividends on ordinary shares	<u><u>676,767</u></u>	<u><u>702,700</u></u>

JOBserve LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

14. Exceptional items

	2019 £	2018 £
Exceptional items - provisions against loans receivable	<u>2,216,245</u>	<u>3,248,117</u>

During the current and previous year a provision against loans receivable from group companies was recognised based on the expected non-recoverability of the loans receivable.

15. Fixed asset investments

The following companies are direct or indirect subsidiaries of the company:

Name	Registered office
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Jobserve USA Limited	Tower Business Park, Tiptree, Essex, CO5 0LX, UK
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Jobserve Canada Holdings Inc	340 Albert Street, Suite 1400, Ottawa, K1R 0A5, Canada
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Jobserve Canada Limited	340 Albert Street, Suite 1400, Ottawa, K1R 0A5, Canada
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Jobserve Holdings Inc	6120 Parkland Blvd, Mayfield Heights, OH-2214, USA
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Hotlizard USA Inc	6120 Parkland Blvd, Mayfield Heights, OH-2214, USA
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Jobserve USA Corp	6120 Parkland Blvd, Mayfield Heights, OH-2214, USA
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Careerboard.com	6120 Parkland Blvd, Mayfield Heights, OH-2214, USA
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Nettemps LLC	6120 Parkland Blvd, Mayfield Heights, OH-2214, USA
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Jobserve NC Holdings LLC	6120 Parkland Blvd, Mayfield Heights, OH-2214, USA
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JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

16. Tangible fixed assets

	L/Term Leasehold Property	Motor vehicles	Office equip	Comp equip	Land and buildings	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 October 2018	775,550	197,306	294,930	2,031,512	1,129,914	4,429,212
Additions	-	29,050	-	-	-	29,050
At 30 September 2019	775,550	226,356	294,930	2,031,512	1,129,914	4,458,262
Depreciation						
At 1 October 2018	665,613	102,240	276,408	1,993,424	452,301	3,489,986
Charge for the year on owned assets	27,485	21,181	4,633	23,475	67,855	144,629
At 30 September 2019	693,098	123,421	281,041	2,016,899	520,156	3,634,615
Net book value						
At 30 September 2019	82,452	102,935	13,889	14,613	609,758	823,647
At 30 September 2018	109,937	95,066	18,522	38,088	677,613	939,226

JOBserve LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. Debtors

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	<u>37,031,303</u>	<u>33,101,506</u>
Due within one year		
Trade debtors	295,006	404,786
Prepayments and accrued income	122,095	127,209
Deferred taxation	-	519
	<u>417,101</u>	<u>532,514</u>

18. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>526,262</u>	<u>71,917</u>

19. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	191,431	152,902
Amounts owed to group undertakings	89,282	90,777
Corporation tax	369,265	230,046
Other taxation and social security	267,293	446,655
Other creditors	271,621	269,387
Accruals and deferred income	4,481,385	4,033,655
	<u>5,670,277</u>	<u>5,223,422</u>

JOBSERVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

20. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other creditors	<u>188,400</u>	<u>454,375</u>

The loan, which is 5 years in length, attracts a commercial rate of interest at 5%.

The parent company, Aspire Media Group Limited, is subject to a legal charge containing a negative pledge dated 27 October 2016 on loans due to Trustees of Jobserve Limited Director's Pension Scheme. The loan is secured on a fixed charge over the shares of Jobserve Limited.

21. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>37,326,309</u>	<u>33,506,292</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(814,541)</u>	<u>(1,067,688)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

22. Deferred taxation

	2019 £	2018 £
At beginning of year	519	(1,413)
Charged to profit or loss	(1,945)	1,932
At end of year	<u>(1,426)</u>	<u>519</u>

JOBserve LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

22. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(13,753)	(15,662)
Other timing differences	12,327	16,181
	<u>(1,426)</u>	<u>519</u>

23. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

24. Reserves

Other reserves

Other reserves relate to the translation of overseas branches.

Profit & loss account

The profit and loss account represents the group's accumulated profits which are available for distribution to shareholders.

25. Contingent liabilities

The company has granted a fixed and floating charge over all assets in favour of R A Cowling for security in respect of any monies due or to become due to the company. At 30 September 2019 no liabilities were due to R A Cowling and therefore no balances were secured by this charge.

26. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £78,234 (2018 - £62,449). Contributions totalling £12,728 (2018 - £10,187) were payable to the fund at the balance sheet date and are included in creditors.

JOBSEVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

27. Commitments under operating leases

At 30 September 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	167,200	167,200
Later than 1 year and not later than 5 years	13,933	181,133
	<u>181,133</u>	<u>348,333</u>

28. Other financial commitments

The company has made a commitment to a subsidiary of Aspire Media Group to fund the shortfall in their operating cashflows for the next 12 months. This commitment will be funded out of the company's surplus cashflows.

29. Related party transactions

The company is a wholly-owned subsidiary of Aspire Media Group Limited and has taken exemption of disclosing transactions with wholly-owned group companies.

During the year, the company made sales to other related parties of £38,255 (2018: £74,695). During the year, the company received other income from related parties of £56,106 (2018: £62,354). During the year, the company received interest on loans from other related parties of £402,969 (2018: £379,723).

During the year, the company had purchases from other related parties of £260,425 (2018: £324,536).

During the year, there was remuneration paid to family members of the director of £74,337 (2018: £66,183).

During the year, there was interest charged on a loan due to other related parties of £35,466 (2018: £44,333).

At the year-end, the company was owed £7,915,044 (2018: £7,585,980) from other related parties.

At the year-end, the company owed £512,158 (2018: £765,628) to other related parties.

30. Post balance sheet events

The impact of COVID-19 since the year-end is being actively managed by the director and as a post balance sheet event this does not have an effect of these financial statements.

JOBserve LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

31. Controlling party

R A Cowling is the ultimate controlling party by virtue of his majority shareholding in the ultimate holding company.

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.