

Company Registration No. 00239726 (England and Wales)

**LINK CORPORATE TRUSTEES (UK) LIMITED**  
**(Formerly Capita Trust Company Limited)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

FRIDAY



\*L7FEVUZM\*

L31

28/09/2018

#229

COMPANIES HOUSE

# **LINK CORPORATE TRUSTEES (UK) LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	S P Martin H A Montagu C A Benford
<b>Secretary</b>	Link Group Corporate Secretary Limited
<b>Company number</b>	00239726
<b>Registered office</b>	The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
<b>Auditor</b>	KPMG LLP 15 Canada Square London E14 5GL
<b>Banker</b>	Barclays Bank PLC 1 Churchill Place London E14 5HP

# **LINK CORPORATE TRUSTEES (UK) LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Strategic report	1
Directors' report	2-3
Statement of directors' responsibilities	4
Independent auditor's report to the members of Link Corporate Trustees (UK) Limited	5-6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10-20

# LINK CORPORATE TRUSTEES (UK) LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

---

The directors present the strategic report and financial statements for the year ended 31 December 2017.

### Review of the business

Link Corporate Trustees (UK) Limited (The "Company") is a wholly owned subsidiary (indirectly held) of Link Administration Holdings Limited and operates within the group's Asset Services division.

On 3 November 2017, the ultimate controlling party of the Company changed to Link Administration Holdings Limited ("Link") as Link successfully completed the acquisition of Capita Asset Services from Capita plc.

The Company changed its name from Capita Trust Company Limited to Link Corporate Trustees (UK) Limited on 6 November 2017.

The principal activity of the Company continued to be that of corporate trustees and the provision of trust and corporate administration services. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

As shown in the company's income statement on page 7, the company's revenue has increased from £9,041,042 to £9,991,723 over the prior year and operating profit has decreased from £2,258,580 to £587,886.

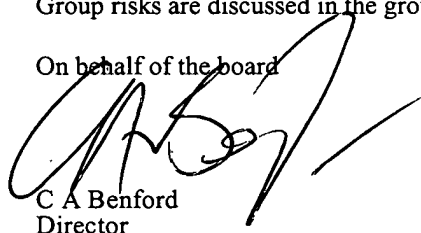
The statement of financial position on page 8 of the financial statements shows the company's financial position at the year end. Net assets have increased from £12,983,296 to £13,350,003. Details of amounts owed by/to the parent company and fellow subsidiary undertakings are shown in notes 10 and 11 to the financial statements.

Key performance indicators used by Link Corporate Trustees (UK) are profits, operating margins and capital expenditure.

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the Company. Monitoring exposure to risk and uncertainty is an integral part of the Company's structured management processes. The principal risks that the Company faces are operational risk, contract pricing, competition, regulatory and legislative impacts, recruitment and retention of staff and maintenance of reputation and strong supplier and customer relationships.

Group risks are discussed in the group's annual report which does not form part of this report.

On behalf of the board



C A Benford  
Director

28 September 2018

# LINK CORPORATE TRUSTEES (UK) LIMITED

## **DIRECTORS' REPORT** **FOR THE YEAR ENDED 31 DECEMBER 2017**

---

The directors present their annual report and financial statements of Link Corporate Trustee (UK) Limited (formerly Capita Trust Company Limited) for the year ended 31 December 2017.

### **Results and dividends**

The results for the year are set out on page 7.

No interim or final ordinary dividend was paid in the current or prior year.

### **Directors**

The following directors have held office since 1 January 2017:

S P Martin  
H A Montagu  
C A Benford  
D J Osborne (resigned 6<sup>th</sup> September 2018)

### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Company continues and that the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible be identical to that of other employees.

### **Employee involvement**

The Company participates in the group's policies and practices to keep employees informed on matters relevant to them as employees through regular meetings, newsletters, email notices and intranet communications. These communication initiatives enable employees to share information within and between business units and employees are encouraged, through an open-door policy, to discuss with management matters of interest to the employee and subjects affecting day to day operations of the Company.

### **Subsequent events**

On 26 January 2018, the Company and certain subsidiaries within the Group agreed to act as a guarantor to an existing Facilities Agreement between Link Administration Holdings Limited and certain Lenders. Under the agreement, the Lenders have made available to the Link Group the following facilities:

- Committed AUD 580 million term loan and working capital facility;
- Committed GBP 485 million term loan and working capital facility; and
- Uncommitted AUD 250 million revolving credit facility.

Each Guarantor a) guarantees punctual performance by the Borrower, b) shall pay any amounts not paid by the Borrower when due, and c) shall indemnify the Lenders against any cost, expense, loss or liability incurred as a result of the Borrower not paying any amount due.

### **Statement of disclosure to auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the company's auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she might reasonably be expected to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## **LINK CORPORATE TRUSTEES (UK) LIMITED**

### **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2017***

---

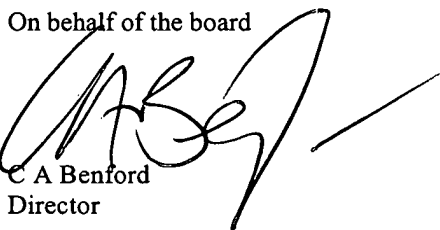
#### **Qualifying 3rd party indemnity provisions**

The company has granted an indemnity to the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the directors' report.

#### **Auditor**

KPMG LLP, having indicated its willingness to continue in office, will be deemed to be reappointed as auditor under section 487(2) of the Companies Act 2006.

On behalf of the board



C A Benford  
Director

28 September 2018

## **LINK CORPORATE TRUSTEES (UK) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2017**

---

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **LINK CORPORATE TRUSTEES (UK) LIMITED**

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LINK CORPORATE TRUSTEES (UK) LIMITED**

---

### **Opinion**

We have audited the financial statements of Link Corporate Trustees (UK) Limited (“the Company”) for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Strategic Report and Directors Report**

The directors are responsible for the strategic report and directors’ report. Our opinion on the financial statements does not cover those reports and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and Directors’ Report;
- in our opinion the information given in the strategic report and the directors’ report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.



## **LINK CORPORATE TRUSTEES (UK) LIMITED**

### **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF LINK CORPORATE TRUSTEES (UK) LIMITED**

---

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

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.

*Alison Allen*

**Alison Allen (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
28 September 2018

# LINK CORPORATE TRUSTEES (UK) LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
<b>Revenue</b>	3	9,991,723	9,041,042
Cost of sales		(4,171,796)	(3,543,722)
<b>Gross profit</b>		<u>5,819,927</u>	<u>5,497,320</u>
Administrative expenses		(5,190,816)	(2,488,668)
Other operating expenses		(41,225)	(750,072)
<b>Operating profit</b>	4	<u>587,886</u>	<u>2,258,580</u>
Interest payable and charges	5	(238)	-
<b>Profit before taxation</b>		<u>587,648</u>	<u>2,258,580</u>
Taxation	6	(220,941)	(473,464)
<b>Profit and total comprehensive income for the financial year</b>		<u><u>366,707</u></u>	<u><u>1,785,116</u></u>

The notes on page 10-20 form an integral part of these financial statements.

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

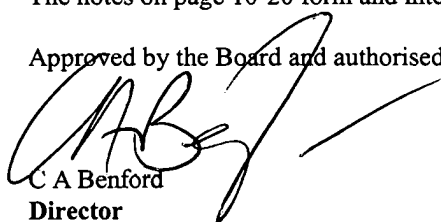
# LINK CORPORATE TRUSTEES (UK) LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
<b>Non-current assets</b>			
Property, plant and equipment	7	232,113	190,035
Deferred tax asset	8	33,802	115,253
Investments in subsidiaries	9	31	4
Trade and other receivables	10	313,004	361,416
		<u>578,950</u>	<u>666,708</u>
<b>Current assets</b>			
Trade and other receivables	10	17,169,658	27,365,379
Cash and cash equivalents		1,089,109	1,716,900
		<u>18,258,767</u>	<u>29,083,129</u>
<b>Current liabilities</b>			
Trade and other payables	11	<u>(5,429,164)</u>	<u>(16,717,024)</u>
<b>Net current assets</b>		<u>12,829,603</u>	<u>12,365,255</u>
<b>Total assets less current liabilities</b>		<u>13,408,553</u>	<u>13,031,963</u>
<b>Provisions for liabilities</b>	13	<u>(58,550)</u>	<u>(48,667)</u>
		<u>13,350,003</u>	<u>12,983,296</u>
<b>Equity</b>			
Share capital	14	8,975,001	8,975,001
Share premium account		999,999	999,999
Retained earnings		<u>3,375,003</u>	<u>3,008,296</u>
<b>Total equity</b>		<u>13,350,003</u>	<u>12,983,296</u>

The notes on page 10-20 form and integral part of these financial statements.

Approved by the Board and authorised for issue on 28 September 2018.

  
C A Benford  
Director

Company Registration No. 00239726

# LINK CORPORATE TRUSTEES (UK) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2016	8,975,001	999,999	1,223,180	11,198,180
Profit for the year	-	-	1,785,116	1,785,116
Total comprehensive income for the year	-	-	1,785,116	1,785,116
Contribution in respect of share-based payment charge	-	-	(10,604)	(10,604)
Settlement of share-based payment charge by intercompany	-	-	10,604	10,604
At 31 December 2016	8,975,001	999,999	3,008,296	12,983,296
Profit for the year	-	-	366,707	366,707
Total comprehensive income for the year	-	-	366,707	366,707
At 31 December 2017	8,975,001	999,999	3,375,003	13,350,003

The notes on page 10-20 form an integral part of these financial statements.

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost basis except where stated otherwise. Link Corporate Trustees (UK) Limited (the "Company") is a company incorporated in England and Wales.

Certain items in the prior period have been represented in order to be consistent with current year presentation. There is no impact of these adjustments on net assets, equity or profit/loss for the prior year.

#### 1.2 Going concern

The Company has sufficient financial resources together with long standing relationships with clients and suppliers. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making inquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and Financial Statements.

#### 1.3 Compliance with accounting standards

These financial statements were prepared in accordance with Financial Reporting Standard 101 - Reduced Disclosure Framework (FRS 101).

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's intermediate parent undertaking, Link Market Services (EMEA) Limited, includes the Company in its consolidated financial statements. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from 6<sup>th</sup> Floor, 65 Gresham Street, London, United Kingdom, EC2V 7NQ. In these financial statements, the Company has applied the disclosure exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Link Market Services (EMEA) Limited include equivalent disclosures, the Company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

- Certain disclosures required by IFRS 2 Share Based Payments in respect of group settled share-based payments;
- Certain disclosures required by IAS 36 Impairments of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the company, in the current and prior periods including the comparative period reconciliation for goodwill;
- Disclosures required by IFRS 7 Financial Instrument Disclosures.

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies (continued)

#### 1.4 Revenue

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Turnover comprises fee and commission income and is accounted for on the basis of when the income is earned.

#### 1.5 Tangible assets and depreciation

Tangible assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Over the period of the lease
Computer equipment	3 years

#### 1.6 Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

#### 1.7 Investments

Investments in subsidiary undertakings are stated at cost less impairment.

#### 1.8 Impairment

At each reporting date, the Company assesses whether there is any indication that an asset, other than deferred tax assets, may be impaired. Where an indicator of impairment exists, the Company makes an estimate of the recoverable amount. An impairment loss is recognised in the income statement whenever the carrying amount of the asset or cash generating unit exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its net selling price and value in use in assessing the value in use, the estimated discounted future cash flows based on management's expectations are used where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the Income Statement, net of any amortisation that would have been charged since the impairment.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less. Bank overdrafts are shown within current liabilities.

#### 1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases and liabilities and their carrying amounts for financial reporting purposes.

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies (continued)

#### 1.10 Taxation (continued)

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of goodwill;
- except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

#### 1.11 Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### 1.12 Pensions

The Company operates defined contribution pension schemes and contributions are charged to the income statement account in the year in which they are due. These pension schemes are funded, and the payment of contributions are made to separately administered trust funds. The assets of the pension schemes are held separately from the Company.

The Company remits monthly pension contributions to Capita Business Services Limited, an outsourced service provider to Link Administration Holdings Limited, which pays the liability on behalf of the Company. Any unpaid pension contributions at the year end have been accrued in the accounts of the Company.

During the current and prior year, Capita Pension & Life Assurance Scheme (the "Capita DB Scheme") provided benefits on a defined benefit basis funded from assets held in a separate trustee-administered fund.

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### **1 Accounting policies (continued)**

#### **1.12 Pensions (continued)**

The Capita DB Scheme is a non-segregated scheme but there are around 200 different sections in the Scheme where each section provides benefits on a particular benefit basis (some based on final salary, some based on career average earnings) to particular groups of employees. Of these sections around 80 included members currently accruing benefits.

Following the acquisition of the Capita Asset Services business by Link Market Services (EMEA) Limited from Capita Plc, all liability relating to the Capita DB scheme has been extinguished for members of the Capita Asset Services businesses as at the acquisition date. There are no further costs or liabilities to be recognised by the Company in relation to this scheme.

#### **1.13 Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to income statement.

#### **1.14 Share based payments**

Up to the change of ownership on 3 November 2017, the Company participated in a Share Incentive plan operated by Capita plc, the former ultimate parent undertaking. Details of the scheme are contained in the annual report of Capita plc. As at the date of the change in ownership, all entitlements under the plan were cancelled. All charges in relation to these incentives for the year ended 31 December 2017 were refunded by Capita plc.

#### **1.15 Group accounts**

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is an indirect subsidiary undertaking of Link Market Services (EMEA) Limited, a Company incorporated in United Kingdom, and is included in the consolidated accounts of Link Market Services (EMEA) Limited.

### **2 Critical accounting estimates and judgements**

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, 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.

There are no estimates or assumptions which have a significant risk of causing a material adjustment to the financial statements.

### **3 Revenue**

The total revenue of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.



# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 4 Operating profit

	2017 £	2016 £
Profit for the year is stated after charging:		
Net foreign exchange losses	40,684	750,072
Depreciation of property, plant and equipment	75,126	95,583
Operating lease rentals – plant and machinery	3,533	1,844

In the prior year audit fees were borne by the former ultimate parent undertaking. In the current year audit fees are borne by a fellow subsidiary undertaking. The audit fee for the current period was £8,750 (2016: £5,000). The Company has taken advantage of the exemption provided by regulations 6(2)(b) of The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the group accounts of the intermediate parent undertaking, which it is required to prepare in accordance with the Companies Act 2006.

### 5 Interest payable and similar charges

	2017 £	2016 £
Other interest payable	238	-

### 6 Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current year charge	240,886	458,090
Adjustments in respect of prior periods	(101,396)	106,708
	139,490	564,798
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(4,734)	1,853
Adjustment in respect of prior periods	86,185	(93,187)
	81,451	(91,334)
Total tax charge	220,941	473,464

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 6 Taxation (continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2017 £	2016 £
Profit before taxation on continued operations	587,648	2,258,580
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.25% (2016: 20%)	113,122	451,716
<b>Taxation impact of factors affecting tax charge:</b>		
Expenses not deductible in determining taxable profit	122,403	900
Effect of change in UK corporation tax rate	627	7,327
Adjustments in respect of current tax of prior years	(101,396)	106,708
Adjustments in respect of deferred tax of prior years	86,185	(93,187)
Total adjustments	107,819	21,748
Tax charge for the year	220,941	473,464

From 1 April 2017 the UK corporation tax rate reduced from 20% to 19%. Further reduction to 17% from 1 April 2020 was enacted in 2016. The deferred tax asset balance (as disclosed in note 8) has been adjusted to reflect this change.

### 7 Property, plant and equipment

	Computer equipment £
<b>Cost</b>	
At 1 January 2017	413,077
Additions	198,407
Disposals	(13,268)
Write-offs	(348,012)
31 December 2017	250,204
<b>Depreciation</b>	
At 1 January 2017	223,042
Charge for the year	75,126
Disposals	(13,268)
Write-offs	(266,809)
At 31 December 2017	18,091
<b>Net book value</b>	
At 31 December 2017	232,113
At 31 December 2016	190,035

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 8 Deferred tax asset

	2017 £	2016 £
Balance at 1 January	115,253	23,919
Income statement	(81,451)	91,334
Balance at 31 December	33,802	115,253
	2017 £	2016 £
Accelerated capital allowances	33,802	115,253
Balance at 31 December	33,802	115,253

### 9 Investments in subsidiaries

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2017	4
Additions	27
At 31 December 2017	31
<b>Net book value</b>	
At 31 December 2017	31
At 31 December 2016	4

#### Holding of ordinary share capital

Details of the company's subsidiaries at 31 December 2017 are as follows:

Company	Country of registration Class or incorporation	Ordinary shares held (%)	Nature of business
Pacific Quay Nominees No. 1 Ltd***	England	100	Trustee & Administrative Services
Link Trust Corporate Ltd (formerly Capita Trust Corporate Ltd)#	England	100	Trustee & Administrative Services
Link Consortium Nominee No. 1 Ltd (formerly Capita Consortium Nominee No. 1 Ltd)#	England	100	Trustee & Administrative Services
Royal Exchange Trust Company Ltd#	England	100	Trustee & Administrative Services
Pacific Quay Trustees No. 1 Ltd***	England	100	Trustee & Administrative Services

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 9 Investments in subsidiaries (continued)

Company	Country of registration Class or incorporation	Ordinary shares held (%)	Nature of business
Link KWS Ltd (formerly Capita KWS Ltd)*	England	100	Trustee & Administrative Services
Link Consortium Nominees No. 3 Ltd (formerly Capita Consortium Nominees No. 3 Ltd)*	England	100	Trustee & Administrative Services
Royal Exchange Trustee Nominees Ltd*	England	100	Trustee & Administrative Services
White City Property Trustees Ltd***	England	100	Trustee & Administrative Services
Link Trust Secretaries Ltd (formerly Capita Trust Secretaries Ltd)*	England	100	Trustee & Administrative Services
Link Corporate Services Ltd (formerly Capita Trust Corporate Services Ltd)*	England	100	Trustee & Administrative Services
Link Pension Trustee Company (1997) Ltd (formerly Capita Pension Trustee Company (1997) Ltd)*	England	100	Trustee & Administrative Services
White City Property Nominee Ltd***	England	100	Trustee & Administrative Services
Link Pension Trustees Ltd (formerly Capita Pension Trustees Ltd)*	England	100	Trustee & Administrative Services
Link Trust Nominees No. 2 Ltd (formerly Capita Trust Nominees No. 2 Ltd)*	England	100	Trustee & Administrative Services
Link Consortium Nominees No.2 Ltd (formerly Capita Consortium Nominees No. 2 Ltd)*	England	100	Trustee & Administrative Services
Link ASOP Ltd (formerly Capita ASOP Ltd)**	England	100	Trustee & Administrative Services
Link ATL Pension Trustees Ltd (formerly Capita ATL Pension Trustees Ltd)*	England	100	Trustee & Administrative Services
Link Pension Secretariat Ltd (formerly Capita Pension Secretariat Ltd)*	England	100	Trustee & Administrative Services
Link Trust Nominees No.1 Ltd (formerly Capita Trust Nominees No. 1 Ltd)*	England	100	Trustee & Administrative Services
Link (LLRP) Trustee Limited	England	100	Trustee & Administrative Services

# - Directly held and incorporated at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU

\* - Indirectly held and incorporated at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU

\*\* - Indirectly held and incorporated at 17 Rochester Row, London, SW1P 1QT

\*\*\* - Indirectly held and incorporated at 6th Floor, 65 Gresham Street, London EC2V 7NQ.

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 10 Trade and other receivables

	2017 £	2016 £
<b>Non-current</b>		
Other receivables	313,004	361,416
<b>Current</b>		
Trade receivables	948,501	1,492,309
Amount due from parent and fellow subsidiary undertakings	15,170,173	25,503,369
Prepayments and accrued income	1,049,899	369,701
Other debtors	1,085	-
	<u>17,169,658</u>	<u>27,365,379</u>

### 11 Trade and other payables

	2017 £	2016 £
Trade payables	189,406	115,110
Amount due to parent and fellow subsidiary undertakings	1,770,851	13,790,455
Corporation tax	368,499	660,765
Other taxes and social security	318,286	365,328
Other payables	78,099	6,174
Accruals and deferred income	2,442,693	1,480,035
Deferred consideration	261,330	299,157
	<u>5,429,164</u>	<u>16,717,024</u>

### 12 Pensions and other post-retirement benefit commitments

The company offers both defined benefit and defined contribution pension schemes.

Contributions in respect of defined contribution schemes payable by the company during the year amounted to £210,027 (2016: £276,770).

The Company has current and former employees who are members of the Capita Pension and Life Assurance Scheme (the "Capita DB scheme"), a defined benefit scheme. As of the date of acquisition by Link Group during 2017, the Company no longer holds any liabilities in relation to this scheme.

Further details of the Capita DB scheme for the comparative year ended 31 December 2016 can be found in the 2016 consolidated accounts of Capita plc, the former ultimate controlling party.

# LINK CORPORATE TRUSTEES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 13 Provisions for liabilities

	New provision £	Severance fees £
Balance at 1 January 2017		48,667
Repayment of provision	-	(48,667)
Recognition of provision	58,550	-
Balance at 31 December 2017	<u>58,550</u>	<u>-</u>

The provision recognised during the year relates to legal fees associated with severance fees.

### 14 Share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
8,975,001 Ordinary shares of £1 each	<u>8,975,001</u>	<u>8,975,001</u>

#### Share capital

The nominal proceeds on issue of the Company's equity share capital, comprising £1 ordinary shares.

### 15 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	277,312	428,664
Company pension contributions	21,004	27,817
	<u>298,316</u>	<u>456,481</u>

The number of directors for whom retirement benefits are accrued under defined contribution schemes amounted to 3 (2016: 4).

The number of directors who exercised share options during the year were nil (2016: nil).

### 16 Employees

The average monthly number of employees (including non-executive directors) were:

	2017 Number	2016 Number
Operations	39	31
Sales	4	4
Admin	14	23
	<u>57</u>	<u>58</u>

## LINK CORPORATE TRUSTEES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

#### 16 Employees (continued)

Their aggregate remuneration comprised:

Employment costs	2017 £	2016 £
Wages and salaries	4,778,157	3,835,709
Social security costs	319,219	90,808
Pension costs	210,027	328,871
Share based payments	-	(10,604)
	<u>5,307,403</u>	<u>4,244,784</u>

#### 17 Ultimate controlling party

The company's immediate parent undertaking is Link Asset Services (Holdings) Limited, a company incorporated in England and Wales.

The smallest group to consolidate these financial statements is Link Market Services (EMEA) Limited. The Financial Statements of Link Market Services (EMEA) Limited are available from the registered office at 6th Floor 65 Gresham Street, London, United Kingdom, EC2V 7NQ.

The Company's ultimate parent undertaking is Link Administration Holdings Limited, a Company incorporated in Australia. The Financial Statements of Link Administration Holdings Limited are available from the registered office at Level 12, 680 George Street, Sydney, NSW 2000.

#### 18 Subsequent events

On 26 January 2018, the Company and certain subsidiaries within the Group agreed to act as a guarantor to an existing Facilities Agreement between Link Administration Holdings Limited and certain Lenders. Under the agreement, the Lenders have made available to the Link Group the following facilities:

- Committed AUD 580 million term loan and working capital facility;
- Committed GBP 485 million term loan and working capital facility; and
- Uncommitted AUD 250 million revolving credit facility.

Each Guarantor a) guarantees punctual performance by the Borrower, b) shall pay any amounts not paid by the Borrower when due, and c) shall indemnify the Lenders against any cost, expense, loss or liability incurred as a result of the Borrower not paying any amount due.