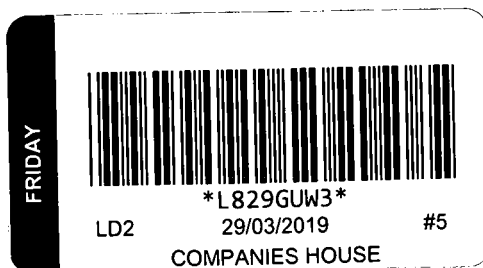


Company Registration No. 00239726 (England and Wales)

LINK CORPORATE TRUSTEES (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018



LINK CORPORATE TRUSTEES (UK) LIMITED

COMPANY INFORMATION

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

LINK CORPORATE TRUSTEES (UK) LIMITED

CONTENTS

	Page
Strategic report	1-2
Directors' report	3
Statement of directors' responsibilities	4
Independent auditor's report to the members of Link Corporate Trustees (UK) Limited	5-7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11-25

LINK CORPORATE TRUSTEES (UK) LIMITED

STRATEGIC REPORT

FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

The directors present the strategic report and financial statements for the 6 month period ended 30 June 2018.

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.

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 period 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 statement of comprehensive income on page 8, the Company's revenue is presented on a 6 month basis compared to the comparator which covers a twelve month period. Revenue has decreased from £9,991,723 to £4,871,546. Operating profit has increased from £587,886 to £1,123,213 over the same period.

The Statement of financial position on page 9 of the financial statements shows the Company's financial position at the period end. Net assets have increased from £13,350,003 to £14,257,799. Details of amounts owed by/to its Parent Company and fellow subsidiary undertakings are shown in notes 10 and 11 to the financial statements.

KPI's

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

Risk Management

Risk appetite is articulated and managed with the Link Administrations Holdings Limited group and the Company through its business plan, its policies including the risk management framework, and its culture. Risk management is implemented via corporate governance processes, risk management and reporting processes (including risk registers and dashboard), project management standards and the roles of the compliance, legal, and group risk and business assurance functions. The business risk profile is considered in aggregate at the local risk committee level, as well as at entity, divisional and group levels.

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, maintenance of reputation, and strong supplier and customer relationships.

To assist the board, which retains ultimate responsibility for risk, to have effective oversight, risk is owned, managed and reported by business managers with the support of the risk management team. Risks are then reported and monitored through the Company's risk management process. Risk reporting is via a risk register and dashboard which are presented to the respective business unit and corporate risk and compliance committees for review and challenge. The register and dashboard highlight all risks that the business believe are relevant and material. Risks are identified and monitored through on-going self-assessment, assessment of external events and past events and losses. The potential financial impact of each risk is quantified. Mitigating factors and controls are also assessed in order to calculate the residual risk. Risks are given "Red"/ "Amber"/ "Green" status based on the estimated potential residual risk impact on the net profit. Where the residual risk is greater than the business's risk appetite, actions must be undertaken by management to reduce the risk to an acceptable level.

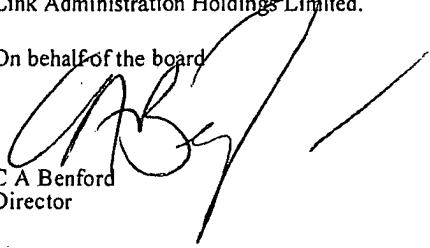
LINK CORPORATE TRUSTEES (UK) LIMITED

STRATEGIC REPORT

FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

Further details of Group risk management strategy and policies are included in the Report and Financial Statements of Link Administration Holdings Limited.

On behalf of the board



C A Benford
Director

25 March 2019

LINK CORPORATE TRUSTEES (UK) LIMITED

DIRECTORS' REPORT FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

The directors present their annual report and financial statements of Link Corporate Trustees (UK) Limited for the 6 month period ended 30 June 2018. On 3 May 2018, the accounting period of the Company was shortened from 31 December 2018 to 30 June 2018, in order to align the accounting period with that of the Company's new ultimate parent undertaking.

Results and dividends

The results for the year are set out on page 8.

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

Directors

The following directors have held office since 1 January 2018:

S P Martin
H A Montagu
C A Benford
D J Osborne (resigned 6th 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.

Statement of disclosure to auditor

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.

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

25 March 2019

LINK CORPORATE TRUSTEES (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

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 AUDITOR'S 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 period ended 30 June 2018 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 30 June 2018 and of its profit for the period 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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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 a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

LINK CORPORATE TRUSTEES (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINK CORPORATE TRUSTEES (UK) LIMITED

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.

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.

LINK CORPORATE TRUSTEES (UK) LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LINK CORPORATE TRUSTEES (UK) LIMITED**

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
25 March 2019

LINK CORPORATE TRUSTEES (UK) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018**

	Note	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Revenue	3	4,871,546	9,991,723
Cost of sales		(2,165,169)	(4,171,796)
Gross profit		2,706,377	5,819,927
Administrative expenses		(1,597,190)	(5,190,816)
Other operating income / (expenses)		14,026	(41,225)
Operating profit	4	1,123,213	587,886
Interest payable and charges	5	-	(238)
Profit before taxation		1,123,213	587,648
Taxation	6	(215,417)	(220,941)
Profit and total comprehensive income for the financial period		907,796	366,707

The notes on page 11-25 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.

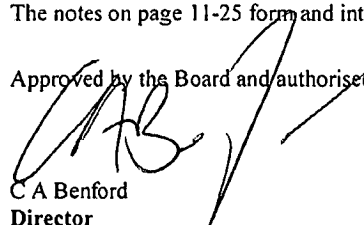
LINK CORPORATE TRUSTEES (UK) LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

		30 June 2018 £	31 December 2017 £
Non-current assets	Note		
Property, plant and equipment	7	203,373	232,113
Deferred tax asset	8	32,035	33,802
Investments in subsidiaries	9	31	31
Trade and other receivables	10	309,809	313,004
		<u>545,248</u>	<u>578,950</u>
Current assets			
Trade and other receivables	10	21,031,337	17,169,658
Cash and cash equivalents		266,150	1,089,109
		<u>21,297,487</u>	<u>18,258,767</u>
Current liabilities			
Trade and other payables	11	<u>(7,446,767)</u>	<u>(5,429,164)</u>
Net current assets		<u>13,850,720</u>	<u>12,829,603</u>
Total assets less current liabilities		14,395,968	13,408,553
Provisions for liabilities	13	<u>(138,169)</u>	<u>(58,550)</u>
Net assets		<u>14,257,799</u>	<u>13,350,003</u>
Equity			
Share capital	14	8,975,001	8,975,001
Share premium account		999,999	999,999
Retained earnings		<u>4,282,799</u>	<u>3,375,003</u>
Total equity		<u>14,257,799</u>	<u>13,350,003</u>

The notes on page 11-25 form an integral part of these financial statements.

Approved by the Board and authorised for issue on 25 March 2019.


C A Benford
Director

Company Registration No. 00239726

LINK CORPORATE TRUSTEES (UK) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018**

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2017	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
Profit for the period	-	-	907,796	907,796
Total comprehensive income for the period	-	-	907,796	907,796
At 30 June 2018	8,975,001	999,999	4,282,799	14,257,799

The notes on page 11-25 form an integral part of these financial statements.

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies

1.1 Accounting convention

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

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 Administration Holdings 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 Level 12, 680 George Street, Sydney, NSW 2000, Australia. 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;
- Disclosures in respect of the compensation of key management personnel;
- The effects of new but not yet effective IFRSs.

Standards issued but not yet effective

IFRS 16 – Leases

IFRS 16 introduces a single, on-balance sheet accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying leased asset, and a lease liability representing its obligation to make lease payments. IFRS 16 replaces existing guidance including IAS 17 Leases. The standard is effective for accounting periods beginning on or after 1 January 2019. When adopting the standard, the Company will recognise an increase in assets and liabilities, as a result of recording operating leases on balance sheet.

As the consolidated financial statements of Link Administration Holdings Limited include equivalent disclosures, the Company has also taken the disclosure exemptions under FRS 101 available in respect of the following disclosure:

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies (continued)

- 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;

Changes in accounting policies

The Company has initially applied IFRS 9 and IFRS 15 from 1 January 2018.

IFRS 15 Revenue from contracts with customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15 an entity recognises revenue to reflect the transfer of goods or services to a customer, measured as an amount that the entity expects to be entitled to in exchange for those goods or services. In addition to the guidance on recognising revenue from contracts with customers, IFRS 15 also prescribes the treatment of costs associated with obtaining contracts where they are not within the scope of another standard.

The Company has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (1 January 2018). Accordingly, the information presented for 2017 has not been restated – i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. Additionally, the disclosure requirements in IFRS 15 have not generally been applied to comparative information.

Introduction of this model had no material impact on the accounting for revenue nor on retained earnings for the Company.

IFRS 9 Financial Instruments

The requirements of IFRS 9 represent a significant change from IAS 39 *Financial Instruments: Recognition and Measurement*. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. The key changes to the Company's accounting policies resulting from its adoption of IFRS 9 are summarised below.

Classification of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL"). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the existing IAS 39 categories of held-to-maturity, loans and receivables and available-for-sale. IFRS 9 largely retains the existing requirements in IAS 39 for the classification of financial liabilities.

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an expected credit loss ("ECL") model. The new impairment model also applies to certain loan commitments and financial guarantee contracts, but not to equity investments.

The new impairment model applies to debt instruments and financial guarantee contracts issued that are not measured at FVTPL. ECLs on instruments classified as FVOCI are recognised in OCI rather than reducing the value of the instrument. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies (continued)

Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- Comparative periods have not been restated. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of IFRS 9 and therefore is not comparable to the information presented for 2018 under IFRS 9.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.

- The determination of the business model within which a financial asset is held.

Effect of applying IFRS 9

Introduction of these changes had no material impact on the accounting for financial assets nor on retained earnings for the Company.

Non-derivative financial assets - classification and measurement

Non-derivative financial instruments comprise trade and other receivables and trade and other payables. Financial assets are measured at amortised cost if meeting both of the following conditions and are not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are measured at FVOCI only if meeting both of the following conditions:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is classified into one of these categories on initial recognition. However, for financial assets held at initial application, the business model assessment is based on facts and circumstances at that date. Also, IFRS 9 permits new elective designations at FVTPL or FVOCI to be made on the date of initial application depending on the facts and circumstances at that date.

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.

Changes to revenue policy

Revenue is recognised when, or as, a performance obligation is satisfied by transferring control of a good or service to a customer. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognised by measuring the Company's progress in satisfying the performance obligation in a manner that reflects the transfer of goods and services to the customer. Revenue from a performance obligation satisfied at a point in time is recognised at the point in time the customer obtains control of the promised good or service.

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies (continued)

Policy applicable before 1 January 2018

The revenue recognition policy applicable before 1 January 2018 was not significantly different to the current policy.

1.5 Property, plant and equipment and depreciation

Property, plant and equipment is 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 Statement of Comprehensive Income 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.

1.10 Taxation

Tax on the profit or loss for the period 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 Statement of Financial Position 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.

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;

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies (continued)

- 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 Financial Instruments

Policy applicable before 1 January 2018

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Derecognition of financial assets and financial liabilities

Financial assets

The Company derecognises a financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement where either:
- the Company has transferred substantially all the risks and rewards of the asset; or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

The Company derecognises a financial liability (or, where applicable a part of a financial liability or part of a group of similar financial liabilities) when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of profit and loss and other comprehensive income.

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies (continued)

Impairment of financial assets (including trade and other receivables)

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39. The Company generally recognises loss allowances at an amount equal to 12-month ECL (Stage 1, the portion of ECL that results from default events that are possible within 12 months after the reporting date) unless there has been significant increase in credit risk since origination of the instrument, in which case ECLs are recognised on a lifetime loss basis (Stage 2). Exposures that are in default are regarded as credit impaired (Stage 3) and are also measured on a lifetime ECL basis.

Measurement of ECL

ECLs are a probability-weighted estimate of credit losses and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive);
- Financial assets that are credit-impaired at the reporting date – the difference between the gross carrying amount and the present value of estimated future cash flows; and
- Financial guarantee contracts – the expected payments to reimburse the holder less any amounts that the Company expects to recover.

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Company has determined that the application of IFRS 9's impairment requirements had no material impact on the allowance for impairment as at 1 January 2018. The Company maintains an allowance for doubtful accounts for the estimated non-collection of accounts receivable. Uncollectability is presumed 180 days after invoice issue date unless there are known customer - specific reasons for the delay in settlement.

Policy applicable before 1 January 2018

A financial asset not carried at FVTPL is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost (such as held to maturity debt securities) is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.12 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.

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

1 Accounting policies (continued)

1.13 Pensions

The Company operates defined contribution pension schemes and contributions are charged to the income statement account in the period 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 period end have been accrued in the accounts of the Company.

1.14 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.

1.15 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 Administration Holdings Limited, a Company incorporated in Australia, and is included in the consolidated accounts of Link Administration Holdings 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 period 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 6 MONTH PERIOD ENDED 30 JUNE 2018**

4 Operating profit

	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Profit for the period is stated after charging / (crediting):		
Net foreign exchange (gains) / losses	(72,419)	40,684
Depreciation of property, plant and equipment	31,162	75,126
Operating lease rentals – plant and machinery	217	3,533

The audit fee for the current period is £6,562 borne by this entity, (2017: £8,750 borne by a fellow subsidiary undertaking). 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.

5 Interest payable and similar charges

	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Other interest payable	-	238

6 Taxation

	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Corporation tax		
Current year charge	213,650	240,886
Adjustments in respect of prior periods	-	(101,396)
	<u>213,650</u>	<u>139,490</u>
Deferred tax		
Origination and reversal of temporary differences	1,767	(4,734)
Adjustment in respect of prior periods	-	86,185
	<u>1,767</u>	<u>81,451</u>
Total tax charge	<u>215,417</u>	<u>220,941</u>

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

6 Taxation (continued)

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

	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Profit before taxation on continued operations	1,123,213	587,648
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2017: 19.25%)	213,410	113,122
Taxation impact of factors affecting tax charge:		
Expenses not deductible in determining taxable profit	2,215	122,403
Effect of change in UK corporation tax rate	(208)	627
Adjustments in respect of current tax of prior years	-	(101,396)
Adjustments in respect of deferred tax of prior years	-	86,185
Total adjustments	2,007	107,819
Tax charge for the year	215,417	220,941

The UK corporation tax rate decreased from 20% to 19% from 1 April 2017, with a further reduction to 17% from 1st April 2020. The deferred tax balance has been adjusted to reflect this change.

7 Property, plant and equipment

	Computer equipment £
Cost	
At 1 January 2018	250,204
Additions	2,422
Disposals	(1,775)
Write-offs	(2,130)
30 June 2018	248,721
Depreciation	
At 1 January 2018	18,091
Charge for the period	31,162
Disposals	(1,775)
Write-offs	(2,130)
At 30 June 2018	45,348
Net book value	
At 30 June 2018	203,373
At 31 December 2017	232,113

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

8 Deferred tax asset

	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Balance at 1 January	33,802	115,253
Income statement	(1,767)	(81,451)
Balance at 30 June 2018 / 31 December 2017	<u>32,035</u>	<u>33,802</u>
	30 June 2018 £	31 December 2017 £
Accelerated capital allowances	<u>32,035</u>	<u>33,802</u>
Balance at 30 June 2018/31 December 2017	<u>32,035</u>	<u>33,802</u>

9 Investments in subsidiaries

	Shares in subsidiary undertakings £
Cost	
At 1 January 2018	31
Additions	-
At 30 June 2018	<u>31</u>
Net book value	
At 30 June 2018	<u>31</u>
At 31 December 2017	<u>31</u>

Holding of ordinary share capital

Details of the Company's subsidiaries at 30 June 2018 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 #	England	100	Trustee & Administrative Services

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

9 Investments in subsidiaries (continued)

Link Consortium Nominees 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 KWS Ltd *	England	100	Trustee & Administrative Services
Link 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*	England	100	Trustee & Administrative Services
Link Corporate Services Ltd*	England	100	Trustee & Administrative Services
Link Pension Trustee Company (1997) Ltd *	England	100	Trustee & Administrative Services
White City Property Nominee Ltd**	England	100	Trustee & Administrative Services
Link Pension Trustees Ltd*	England	100	Trustee & Administrative Services
Link Trust Nominees No. 2 Ltd*	England	100	Trustee & Administrative Services
Link Consortium Nominees No.2 Ltd*	England	100	Trustee & Administrative Services
Link ASOP Ltd **	England	100	Trustee & Administrative Services
Link ATL Pension Trustees Ltd *	England	100	Trustee & Administrative Services
Link Pension Secretariat Ltd *	England	100	Trustee & Administrative Services
Link 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 6th Floor, 65 Gresham Street, London EC2V 7NQ.

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

10 Trade and other receivables

	30 June 2018 £	31 December 2017 £
Non-current		
Other receivables	309,809	313,004
	30 June 2018 £	31 December 2017 £
Current		
Trade receivables	1,015,815	948,338
Amount due from parent and fellow subsidiary undertakings	18,985,404	15,170,173
Prepayments and accrued income	722,617	1,049,899
Other debtors	307,501	1,248
	21,031,337	17,169,658

The amounts owed by parent and fellow subsidiary undertakings arise from trade and are repayable on demand.

11 Trade and other payables

	30 June 2018 £	31 December 2017 £
Trade payables	81,688	189,406
Amount due to parent and fellow subsidiary undertakings	4,052,347	1,770,851
Corporation tax	582,149	368,499
Other taxes and social security	166,654	318,286
Other payables	109,651	78,099
Accruals and deferred income	2,207,303	2,442,693
Deferred consideration	246,975	261,330
	7,446,767	5,429,164

Amounts due to group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on demand.

12 Pensions and other post-retirement benefit commitments

The Company offers defined contribution pension schemes.

Contributions in respect of defined contribution schemes payable by the Company during the period amounted to £113,929 (2017: £210,027).

LINK CORPORATE TRUSTEES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018**

13 Provisions for liabilities and charges

	30 June 2018 £
Balance as at 1 January 2018	58,550
Repayment of provision	(35,861)
Recognition of provision	115,480
	<u>138,169</u>

14 Share capital

	30 June 2018 £	31 December 2017 £
Ordinary share capital Issued and fully paid 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

None of the Directors' were paid remuneration directly by the Company, all being remunerated by a fellow group undertaking. During the period the amount of Director's remuneration that can be allocated to the Company to cover time spent by the Directors' on the affairs of the Company is as follows,

	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Remuneration for qualifying services	166,524	277,312
Company pension contributions	12,295	21,004
	<u>178,819</u>	<u>298,316</u>

The number of directors for whom retirement benefits are accrued under defined contribution schemes amounted to 3 (2017: 3).

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

16 Employees

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

	6 month period ended 30 June 2018 Number	Year ended 31 December 2017 Number
Operations	41	39
Sales	4	4
Admin	28	32
	<u>73</u>	<u>75</u>

Their aggregate remuneration comprised:

Employment costs	6 month period ended 30 June 2018 £	Year ended 31 December 2017 £
Wages and salaries	2,236,618	4,778,157
Social security costs	260,161	319,219
Pension costs	113,929	210,027
	<u>2,610,708</u>	<u>5,307,403</u>

17 Operating lease commitments

At the reporting date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Other	
	30 June 2018 £	31 December 2017 £
Within one year	2,044	2,044
Between two and five years	-	-
In over five years	-	-
	<u>2,044</u>	<u>-</u>

LINK CORPORATE TRUSTEES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 6 MONTH PERIOD ENDED 30 JUNE 2018

18 Ultimate controlling party

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

The smallest and largest group to consolidate these financial statements is Link Administration Holdings Limited. The Financial Statements of Link Administration Holdings Limited are available from the registered office at Level 12, 680 George Street, Sydney, NSW 2000.

The Company's ultimate parent undertaking is Link Administration Holdings Limited, a Company incorporated in Australia.

19 Potential Future Commitments

On 26 January 2018, the Company and certain other subsidiaries within the Group agreed to act as a guarantor to an existing Facilities Agreement between Link Administration Holdings Limited (the Borrower) 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.

20 Post balance sheet events

On 31 January 2019, Link Administration Holdings Limited (Link Group) announced it had entered into a binding agreement with Apex Group Limited to sell its Corporate & Private Clients business (CPCS), of which Link Corporate Trustees (UK) Limited is a member, for a cash free, debt free consideration of £240 million.

On 29 January 2019, an interim dividend of £4,271,705 was declared.