

**Company Registration No. SC167675**

**Link Network Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2019**



# **Link Network Limited**

## **Annual report and financial statements for the year ended 31 December 2019**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Independent auditor's report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>8</b>
<b>Balance sheet</b>	<b>9</b>
<b>Statement of changes in equity</b>	<b>10</b>
<b>Notes to the financial statements</b>	<b>11</b>

# **Link Network Limited**

## **Annual report and financial statements for the year ended 31 December 2019**

### **Officers and professional advisers**

#### **Directors**

J Chapman  
P Berendonk  
D Grimes

#### **Secretary**

Brodie's Secretarial Services Limited  
15 Atholl Crescent  
Edinburgh  
EH3 8HA

#### **Registered Office**

Nether Road  
Galashiels  
TD1 3HE

#### **Bankers**

The Royal Bank of Scotland plc  
36 St Andrew Square  
Edinburgh  
EH2 2YB

#### **Solicitors**

Brodie's WS  
15 Atholl Crescent  
Edinburgh  
EH3 8HA

#### **Independent Auditor**

Deloitte LLP  
Statutory Auditor  
110 Queen Street  
Glasgow  
G1 3BX

# **Link Network Limited**

## **Directors' report**

The Directors present their report on the affairs of Link Network, the "company", together with the audited financial statements and independent auditor's report for the year ended 31 December 2019. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

### **Principal activities**

The company acts as a selling agent for the customers of Sykes Global Services Limited, administering refunds on their behalf and administering VAT in multiple jurisdictions around the globe.

### **Brexit**

We continue to monitor the Brexit process and the continuing negotiations between the British Government and the EU, and at time of presentation of these accounts no agreement has been reached between the parties on the nature and terms of future trading relationships. Link has invested time and energy reviewing various scenarios and the potential positioning of the company is ongoing; however until the final makeup of Brexit is known the company will continue to provide VAT Management, Consumer Reimbursement and Bank Account Management to its clients.

### **COVID-19**

On January 30, 2020 the World Health Organization (WHO) declared an international health emergency due to the outbreak of coronavirus (COVID-19). Since March 11, 2020 the WHO has characterized the spread of the coronavirus as a pandemic. Management have considered and anticipated the effects of COVID-19 on the company activities and believe that although there have been a number of challenges to address; the overall impact to the ongoing operations will not be impacted to any significant level. Our business model has been largely flexible to the extent that within a matter of weeks we have mobilised our staff to a work at home environment. Which has enabled us to not only maintain our service offerings but in some cases exceed these service deliveries and in so doing attract additional revenue.

### **Directors**

The present membership of the board is set out on page 1. All directors served throughout the year and to the date of this report.

### **Going concern**

The principal business activities are set out above. The company does not expect to make either a profit or loss going forward as all costs incurred are recharged to customers.

Transactions are only cleared through the bank when funds are made available by customers by way of bank transfer and as such there is no need for overdraft facilities.

The directors have received confirmation of financial support from Sykes Enterprises Inc, which ensures the company's access to adequate financial resources for a period of twelve months from the date of signing these financial statements.

Having considered the operations, prospects and funding the directors have developed a reasonable expectation that the company will continue to operate as a going concern throughout the 12 months from the signing of these financial statements.

## Link Network Limited

### Directors' report (continued)

#### Auditor

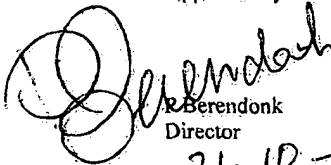
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



R Berendonk  
Director

21-10-2020

## **Link Network Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Link Network Limited**

## **Independent auditor's report to the members of Link Network Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Link Network Limited (the 'company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

## **Link Network Limited**

### **Independent auditor's report to the members of Link Network Limited (continued)**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Link Network Limited**

### **Independent auditor's report to the members of Link Network Limited (continued)**

#### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Crawford, CA (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Glasgow, United Kingdom  
23 October 2020

## Link Network Limited

### Profit and loss account For the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover	3	3,347	42,708
Administrative expenses		(3,347)	(42,708)
<b>Operating result</b>	4	-	-
Interest receivable and similar income		-	-
<b>Result before taxation</b>		-	-
Tax charge on profit	5	-	-
<b>Result for the year</b>		-	-

All activities relate to continuing operations.

There have been no recognised gains and losses attributable to the shareholders other than the results for the current and preceding financial year as presented in the profit and loss account above and therefore no separate Statement of Comprehensive Income is presented.

## Link Network Limited

### Balance sheet As at 31 December 2019

	Notes	2019 £	2018 £
<b>Current assets</b>			
Cash at bank and in hand		1,714,667	1,521,908
		<u>1,714,667</u>	<u>1,521,908</u>
<b>Creditors: amounts falling due within one year</b>	7	(1,705,902)	(1,513,143)
<b>Net assets</b>		<u>8,765</u>	<u>8,765</u>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account		<u>8,763</u>	<u>8,763</u>
<b>Shareholder's funds</b>		<u>8,765</u>	<u>8,765</u>

The financial statements of Link Network Limited, registered company number SC167675 were approved by the Board of Directors on 21-10-2020.

Signed on behalf of the Board of Directors.

  
P. Berendonk  
Director

## Link Network Limited

### Statement of changes in equity For the year ended 31 December 2019

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2018	2	8,763	8,765
Result and total comprehensive income for the financial year	-	-	-
At 31 December 2018	2	8,763	8,765
Result and total comprehensive income for the financial year	-	-	-
At 31 December 2019	2	8,763	8,765

# **Link Network Limited**

## **Notes to the financial statements For the year ended 31 December 2019**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below and have been applied consistently throughout the current and prior year.

#### **a. Basis of preparation**

Link Network Limited is a company incorporated in the United Kingdom under the Companies Act. The company is a private company limited by shares and is registered in Scotland. The address of the company's registered office is shown on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

The financial statements have been prepared under the historic cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" issued by the Financial Reporting Council.

The functional currency of Link Network Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Link Network Limited meets the definition of a qualifying entity under FRS 102 as its ultimate parent, outlined at Note 9, prepares publicly available consolidated financial statements, and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, remuneration of key management personnel, related party transactions and share based payment.

#### **b. Turnover**

Turnover represents commission which is the total amount receivable by the company for agency services provided, excluding VAT and trade discounts. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

#### **c. Taxation**

Current taxation, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

#### **d. Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

All exchange differences are recorded in the profit and loss account.

# Link Network Limited

## Notes to the financial statements (continued) For the year ended 31 December 2019

### 1. Accounting policies (continued)

#### e. Going concern

The principal business activities are set out above. The company does not expect to make either a profit or loss going forward as all costs incurred are recharged to customers.

Transactions are only cleared through the bank when funds are made available by customers by way of bank transfer and as such there is no need for overdraft facilities.

The directors have received confirmation of financial support from Sykes Enterprises Inc, which ensures the company's access to adequate financial resources for a period of twelve months from the date of signing these financial statements.

Having considered the operations, prospects and funding the directors have developed a reasonable expectation that the company will continue to operate as a going concern throughout the 12 months from the signing of these financial statements.

### 2. Critical accounting judgements and key sources of estimation uncertainty

In application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily available 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.

#### *Critical judgements made in applying the company's accounting policies*

There were no critical judgements made by the directors in applying the company's accounting policies.

#### *Key source of estimation uncertainty*

In the opinion of the directors there are no key sources of estimation uncertainty that require disclosure in the financial statements.

### 3 Turnover

Turnover represents commission which is the total amount receivable by the company for agency services provided, excluding VAT and trade discounts.

An analysis of the company's turnover by class of business is set out below:

	2019	2018
	£	£
<b>Turnover:</b>		
Agency services	3,347	42,708

All operations by origin are based in the United Kingdom. All turnover is earned in the United Kingdom.

# Link Network Limited

## Notes to the financial statements (continued) For the year ended 31 December 2019

### 4 Operating result

Operating result is stated after charging:

	2019 £	2018 £
Foreign exchange loss	48	3,158

The auditor's remuneration of £3,000 (2018: £3,000) for the audit of the financial statements has been borne by Sykes Global Services Limited. There was £nil (2018: £nil) non-audit services during the year.

### 5. Tax on result

	2019 £	2018 £
<i>Current taxation</i>		
UK corporation tax at % (2018: 19%)	-	-
Tax on result	-	-

There is no deferred taxation asset or liability (2018: £nil).

The difference between the total current tax as shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2019 £	2018 £
Result before tax	-	-
Tax charge on result at standard rate of 19% (2018: 19%)	-	-
Total tax charge for the year	-	-

For the year ended 31 December 2019, the UK rate of 19% is applied.

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

### 6. Information regarding directors and employees

The only employees of the company during the current and prior year were the directors. The directors are remunerated by Sykes Enterprises Inc BV and Sykes Enterprises Inc., and apportionment to this company is not practical.

## Link Network Limited

### Notes to the financial statements (continued) For the year ended 31 December 2019

#### 7. Creditors: amounts falling due within one year

	2019 £	2018 £
Customer advances	1,700,971	1,512,847
Other creditors and accruals	4,930	296
	<u>1,705,901</u>	<u>1,513,143</u>

#### 8. Called up share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

#### 9. Ultimate parent company

The directors consider that the ultimate parent company and controlling party of this company is Sykes Enterprises Inc., which is registered in the United States of America. Their registered address is 400 North Ashley Drive, Suite 2800, Tampa, Florida, FL336025842, USA 33602. The immediate parent company is Sykes Global Services Limited, which is registered in the UK at Nether Road, Galashiels, Scotland, TD1 3HE.

The results of the company are incorporated in the consolidated accounts of Sykes Enterprises Inc., the ultimate parent company, which is registered in the United States of America. This is the smallest and largest group in which the company's results are consolidated. Copies of the ultimate parent company's consolidated accounts may be obtained from 400 North Ashley Drive, Suite 2800, Tampa, Florida, FL336025842, USA 33602.

#### 10. Post balance sheet events

On January 30, 2020 the World Health Organization (WHO) declared an international health emergency due to the outbreak of coronavirus (COVID-19). Since March 11, 2020 the WHO has characterized the spread of the coronavirus as a pandemic. Management have considered and anticipated the effects of COVID-19 on the company activities and believe that although there have been a number of challenges to address; the overall impact to the ongoing operations will not be impacted to any significant level.