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Link Network Limited

**Annual report and financial statements
for the year ended 31 December 2021**

Registered number: SC167675



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Company information

Directors

K Brough
I Khosa
D Grimes

Company secretary

Brodies Secretarial Services Limited
15 Atholl Crescent
Edinburgh
EH3 8HA

Registered office

Nether Road
Galashiels
Selkirkshire
TD1 3HE

Independent auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison St
Edinburgh
EH3 8EX

Strategic report for the year ended 31 December 2021

The directors present their Strategic report for the year ended 31 December 2021.

Business Review

The company's principal activity during the year remained that of a selling agent for its customers, administering refunds and VAT on their behalf, globally.

The income statement for the year shows a result before taxation of *£nil* (2020: *£nil*) and turnover of £17,185 (2020: £11,705). The company has net assets of £8,765 (2020: £8,765). The directors are satisfied with the performance of the company with strong sales performance during an economic downturn.

During the year, the company was acquired by Sitel Group SA, a company registered in Luxembourg.

Principal Risks and uncertainties

Financial risk management

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk, interest rate cash flow risk and foreign currency risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Where debt finance is utilised, this is subject to pre-approval by the board of directors and such approval is limited to financial institutions with an AA rating or better. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board.

Liquidity risk

The company and Sitel Group actively maintain a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Pricing risk

The company's operations expose it to a risk that sales prices could fluctuate. This is deemed a low risk, and is managed by agreeing prices upfront with customers for a set period of time.

Strategic report for the year ended 31 December 2021 *(continued)*

Principal Risks and uncertainties (continued)

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only inter-company receivables which earn interest at a fixed rate, and cash balances, which earn interest at a variable bank rate. The company has a policy of maintaining debt at fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

Foreign currency risk

The company has intercompany transactions in foreign currencies which it seeks to settle to minimise the foreign currency exposure. The foreign currency balances at year end are not a significant portion of the overall intercompany balances.

Key Performance Indicators

The directors of Link Network Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Link Network Limited. The development, performance and position of Link Network Limited are discussed in the Sitel Group SA annual report (page 6) as part of the wider Sykes performance since acquisition, which does not form part of this report.

Corporate governance

Our policy on corporate governance is to follow principles of strong governance, transparent reporting and Link Network Limited's core values. These core values help support the company's vision, shape the culture, and reflect the company's principles. The core values showcase the essence of Link Network Limited's identity and assist in guiding the company's decisions and processes.

The core values in summary are as follows;

- Be bold and innovative
- Build Trust
- Work Together
- Wow customers

We practise a system of full transparency where management reports regularly and comprehensively to the Board and provides extensive background information for all matters requiring Board approval. All Board decisions are clearly minuted and recorded. The Board, together with external advisers as appropriate, consider in further detail issues of particular complexity through regular meetings and, where required, special working groups.

In following this policy and additional procedures the board are able to ensure that wider stakeholders are considered in medium and longer term decision making as required by s172 of the Companies Act.

Various documentation including the company Corporate Social Responsibility report and Code of Ethics is available on the parent company website www.sitel.com.

Strategic report for the year ended 31 December 2021 *(continued)*

Corporate governance (continued)

Where the company has made principal decisions, the directors have considered the impact of their decisions on stakeholder interests before implementing any that directly affect those stakeholders.

Examples during the year were that of;

- Dealing with the strategic challenges of COVID-19
- Choice as to whether employees be furloughed under the government's Coronavirus Job Retention Scheme
- Maintaining relationships with customers and suppliers, including discussion over any delays in payments due
- Other capital allocation decisions including whether to cancel or scale back capital expenditure

Section 172

The Board is committed to enhancing engagement with all our stakeholders. In addition to the methods of engagement described over the following pages, the interests of our stakeholder groups are considered by the Board through a combination of:

- Regular reports and presentations at scheduled Board and management meetings, including operational reports and updates presented by the senior management on health and safety, ethics and compliance, people matters (including employee engagement) and customer feedback.
- A rolling agenda of matters to be considered by the Board throughout the year, including a strategy review which considers the purpose and strategy to be followed by the Company, which is supported by a budget for the following year and a medium-term financial plan.
- Formal consideration of bids and other matters, including any factors which are relevant to major decisions taken by the Board through the year.
- The risk management process and other routine agenda items, to ensure application of the parent Group's Audit Committee, Corporate Responsibility Committee, Group Risk Committee and Remuneration Committee policies and recommendations.

Directors are briefed on their duties, including their duty under section 172 of the Companies Act 2006. The directors are entitled to require from the company all such information they may reasonably request in order to be able to perform their duties as directors, including advice from an independent advisor at the company's expense.

The Board recognises that delegation of day-to-day decision-making to the directors and senior management needs to be much more than simple financial authorities. Available on our website (www.sitel.com) you will find reports covering the corporate governance structure which covers the values and behaviours expected of our employees; the standards they must adhere to; how we engage with stakeholders; and how the Board looks to ensure that we have a robust system of control and assurance processes.

Our Corporate Social Responsibility framework is structured around our key stakeholders and we summarise our progress and performance within the available report.

Strategic report for the year ended 31 December 2021 *(continued)*

Section 172 (continued)

The following disclosure describes how the Board has had regard to the matters set out in section 172(1) (a) to (f);

Stakeholders and importance to the company	Our approach to stakeholder engagement	Stakeholder consideration in the Board's decision making
Shareholders Our shareholders and parent company are vital to the future success of the business, providing investment to aid business growth and the generation of profitable return.	Our shareholders, are our parent company Sykes Global Services Limited, and ultimate parent Sitel Group SA. Performance metrics and updates are provided by the Board to our parent company, with performance cascade up the group.	The Board aims to provide clear information to our parent company and our ultimate shareholders, being honest and transparent as to the performance of the business, Value is generated for shareholders by supporting the overall group to deliver on the business plan.
Customers Listening to our customers, who are external to the company, helps us to better understand their needs and provide suitable and reliable support solutions.	The company is dedicated to making sure that we constantly refine what we do - making customers feel confident that we are delivering our promises in everything we do. We work together to create exceptional experiences for our clients' customers, and we believe the best solutions are generated through collaboration between people who think differently and welcome a variety of ideas and viewpoints.	The company's principal activity is contact centre management services. As part of the ongoing review with customers, various surveys and management tools are used to gauge the satisfaction and loyalty of the company's customer relationships. Decision making by the board is made with the varying requirements of the customers in mind, to drive both the company forward and also the relationship with the customer.

Strategic report for the year ended 31 December 2021 (continued)

Section 172 (continued)

Stakeholders and importance to the company	Our approach to stakeholder engagement	Stakeholder consideration in the Board's decision making
<p>Community and wider society</p> <p>Contributing positively to wider society enables us to create stronger communities and have a positive environmental impact.</p>	<p>Our purpose is to improve the lives of our customers, build a better society for the long term and create value for our shareholders. This inspires and encourages us to use our assets and resources in an economically and socially useful way to benefit everyone in our communities.</p> <p>The company supports local communities to make a positive impact on society while engaging employees in causes they find meaningful.</p> <p>We manage our environmental impact through sound practices and promoting employee awareness.</p>	<p>We believe it is our responsibility to build a truly human environment where our employees are enabled to be their best, professionally and personally.</p> <p>We continually strive to create a culture that cares about all aspects of our people, including their own communities.</p> <p>Employee contributions are the foundation of our community programs. Many of our community engagement activities depend on our employees' passion to contribute their time and energy.</p> <p>Our employees are regularly engaged in their local communities through company supported philanthropic projects and contributions to numerous charitable causes.</p>

On behalf of the board



K Brough
Director

21 April 2023

Directors' report for the year ended 31 December 2021

The directors present their report and the audited financial statements of the company for the year ended 31 December 2021.

Future developments

The board remains confident that there will be no expected changes in the company results, and it will continue to trade at its current level.

Global economic impacts

During 2021 the Global pandemic relating to COVID 19 has had minimal negative financial impact for the company.

Brexit and the war in Ukraine have also had minimal negative financial impact for the company.

Subsequent events

There have been no subsequent events that have impacted the company.

Dividends

No dividends were recommended, declared or paid during the year (2020: £nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

J Chapman (Resigned on 14 June 2022)
D Grimes
P Berendonk (Resigned on 14 June 2022)
K Brough (Appointed on 14 June 2022)
I Khosa (Appointed on 14 June 2022)

Qualifying third party and pension indemnity provisions

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force for the benefit of each of the directors and the Company Secretary in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, the company maintained a directors' and officers' liability insurance policy throughout the financial year and up to the date the financial statements were approved.

Directors' report for the year ended 31 December 2021 *(continued)*

Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training career development and promotion of a disabled person should, as far as possible be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through newsletters and briefing groups where employees are actively encouraged to partake in open discussions with management.

The active involvement of employees in the company's performance is rewarded through various reward and bonus schemes.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Financial risk management

Financial risk management is currently disclosed in the Strategic report under Principal Risks and uncertainties.

Directors' report for the year ended 31 December 2021 *(continued)*

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the positive financial performance of the company in the current and previous years, the projections going forward, and the net assets position.

The company has continued financial support of the parent company, Sitel Group SA. The directors have received confirmation that Sitel Group SA intends to support the company for at least one year after these financial statements are signed, and is in a position to do so.

Statement of engagement with suppliers and customers

This is referenced to in the Strategic report, and acts as part of the Company's Section 172(1) statement.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office and a resolution concerning their reappointment will be proposed at the next annual general meeting.

On behalf of the board



K Brough
Director
21 April 2023

Independent auditors' report to the members of Link Network Limited

Report on the audit of the financial statements

Opinion

In our opinion, Link Network Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: Balance sheet as at 31 December 2021; Income statement, Statement of comprehensive income and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Independent auditors' report to the members of Link Network Limited (continued)

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- Enquiries with management around known or suspected fraud, litigation, claims and non compliance with laws and regulations;
- Understanding of management controls used to prevent and detect fraudulent activity and
- Identifying and testing journal entries considered to meet pre-determined risk criteria.

Independent auditors' report to the members of Link Network Limited (continued)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Jane Ferguson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
21 April 2023

Income statement
for the year ended 31 December 2021

	Note	2021 £000	2020 £000
Turnover	5	17	12
Cost of sales		-	-
Gross profit		17	12
Administrative expenses		(17)	(12)
Operating result	6	-	-
Result before taxation		-	-
Tax on result	8	-	-
Result for the financial year		-	-

The notes on pages 17 to 23 form an integral part of these financial statements.

All the above items relate to continuing operations.

Statement of comprehensive income
for the year ended 31 December 2021

	2021 £000	2020 £000
Result for the financial year	-	-
Other comprehensive income/(expense) for the year, net of tax	-	-
Total comprehensive income for the year, net of tax	-	-

Balance sheet
as at 31 December 2021

	Note	2021 £000	2020 £000
Current assets			
Cash at bank and in hand		1,346	1,936
		1,346	1,936
Creditors: amounts falling due within one year	9	(1,337)	(1,927)
Net current assets		9	9
Total assets less current liabilities		9	9
Net assets		9	9
Capital and reserves			
Called up share capital	10	-	-
Retained earnings		9	9
Total equity		9	9

Company registration number: SC167675

The notes on pages 17 to 23 form an integral part of these financial statements.

These financial statements on pages 13 to 23 were approved by the board of directors on 21 April 2023 and signed on its behalf by:



K Brough
Director

Statement of changes in equity
for the year ended 31 December 2021

	Called up share capital	Retained earnings	Total equity
	£000	£000	£000
Balance as at 1 January 2020	-	9	9
Result for the financial year	-	-	-
Balance as at 31 December 2020	-	9	9
Result for the financial year	-	-	-
Balance as at 31 December 2021	-	9	9

Notes to the financial statements

1 General information

Link Network Limited's principal activity during the year remained that of a selling agent for its customers, administering refunds on their behalf, and VAT globally.

The company is a private company limited by shares and is incorporated and registered in Scotland, United Kingdom. The registered office is Nether Road, Galashiels, Selkirkshire, United Kingdom TD1 3HE.

2 Statement of compliance

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value through the income statement.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the positive financial performance of the company in the current and previous years, the projections going forward, and the net assets position.

The company has continued financial support of the parent company, Sitel Group SA. The directors have received confirmation that Sitel Group SA intends to support the company for at least one year after these financial statements are signed, and is in a position to do so.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows of its parent company, Sitel Group SA, includes the company's cash flows in its own consolidated financial statements.

Notes to the financial statements *(continued)*

3 Summary of significant accounting policies *continued*

Exemptions for qualifying entities under FRS 102 *(continued)*

- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), 12.29A and 12.30 as the information is provided in the consolidated financial statement disclosures of Sitel Group SA.

Exemptions for qualifying entities under FRS 102 *(continued)*

- iii. from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.
- iv. from disclosing related party transactions, as required by Section 33 in FRS 102 Related Party Disclosures paragraph 33.7
- v. from Corporate Governance disclosures.

Foreign currencies

The company's financial statements are presented in pound sterling and rounded to thousands. The company's functional and presentation currency is the pound sterling.

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the income statement.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company bases its estimates of accrued income on actual services performed at the contracted rates which will be invoiced in the following month. When revenue relates to the future performance of the contract the revenue will be deferred over the remaining life of the contract using the straight line basis.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the company's sales channels have been met.

Cash and cash equivalents

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

Notes to the financial statements *(continued)*

3 Summary of significant accounting policies *continued*

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

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 is measured on an undiscounted basis.

Provisions and contingencies

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when, it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or, when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Notes to the financial statements *(continued)*

3 Summary of significant accounting policies *continued*

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments subject to the exemptions taken as set out on pages 17 and 18.

i) Financial assets

Basic financial assets, including trade, other and group receivables, cash and bank balances and investments in subsidiaries, are initially recognised at transaction price.

At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the income statement.

ii) Financial liabilities

Basic financial liabilities, including trade and other payables, loans from fellow Group companies, are initially recognised at transaction prices.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Notes to the financial statements *(continued)*

4 Critical accounting judgments and estimation uncertainty

In the application of the company's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

Management have considered that there are no critical accounting estimates or judgements.

5 Turnover

The turnover for the year of £17,185 (2020: £11,705) was derived from the company's principal activity and was solely generated in the United Kingdom.

6 Operating result

	2021 £000	2020 £000
The operating result is stated after charging:		
Foreign exchange loss	1	-
Audit fees	10	3

There were no non-audit fees (2020: none) paid to the auditors during the year.

7 Employee information

There were no employees (2020: nil) and no remuneration (2020: £nil) was paid to the directors in respect of their services as directors of the company during the year.

All of the directors are remunerated by fellow group companies without recharge. The value of their services to the company is estimated to be £nil (2020: £nil).

Notes to the financial statements *(continued)*

8 Tax on result

	2021 £000	2020 £000
Current tax:		
UK corporation tax on result of the year	-	-
Total current tax	-	-
Total Deferred tax	-	-
Tax on result	-	-

The tax charge for the year is the same as (2020: *the same as*) than the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are explained below:

	2021 £000	2020 £000
Result before taxation	-	-
Result before taxation multiplied by standard rate in the UK 19.00% (2020: 19.00%)	-	-
Tax charge for the year	-	-

Factors that may affect future tax charges

The tax rate for the current year is 19%. In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Notes to the financial statements *(continued)*

9 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Customer advances	1,337	1,917
Other creditors	-	10
	<u>1,337</u>	<u>1,927</u>

Customers have the ability to draw on the advanced funds at any time.

10 Called up share capital

	2021 £000	2020 £000
Allotted and fully paid		
Ordinary shares 2 (2020: 2) of £1 each	-	-

There are no restrictions on the distribution of dividends and repayment of capital.

11 Parent undertaking and controlling party

The immediate parent undertaking is Sykes Global Services Limited, a company incorporated in Scotland, United Kingdom. According to the register kept by the company, Sykes Global Services Limited has a 100% interest in the equity capital of Link Network Limited at 31 December 2021.

On 27 August 2021, the Sitel Group completed its acquisition of the Sykes Group. As of this date, the ultimate parent company of Link Network Limited became Sitel Group, S.A., a company incorporated in Luxembourg.

As at 31 December 2021 the smallest group in which the results of the company are consolidated is that of which Sitel Group SA, a company registered in Luxembourg. These consolidated financial statements are available from Sitel Group SA, 33 boulevard du Prince Henri, L-1724 Luxembourg, Grand Duché du Luxembourg. The directors regard the ultimate controlling party of the company to be SAS SURCREHOL, a company whose registered address is 64 boulevard de Cambrai, 59100 Roubaix, France, and will head the largest group to consolidate the results of the company.

On 1st March 2023, Sitel Group SA was renamed as Foundever Group SA.