

Company Registration No. 00239726 (England and Wales)

APEX CORPORATE TRUSTEES (UK) LIMITED
(Formerly Link Corporate Trustees (UK) Limited)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



APEX CORPORATE TRUSTEES (UK) LIMITED

COMPANY INFORMATION

Directors	S P Martin H A Montagu (resigned 28 th February 2020) C A Benford
Company number	00239726
Registered office	6 th floor, 125 Wood Street London EC2V 7AN
Auditor	KPMG LLP 15 Canada Square London E14 5GL
Banker	Barclays Bank PLC 1 Churchill Place London E14 5HP

APEX CORPORATE TRUSTEES (UK) LIMITED

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APEX CORPORATE TRUSTEES (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The directors present the strategic report and financial statements for the year ended 30 June 2019. The Company changed its name from Link Corporate Trustees (UK) Limited to Apex Corporate Trustees (UK) Limited on 1st July 2019.

Review of the business

Apex Corporate Trustees (UK) Limited (The “Company”) is a wholly owned subsidiary (indirectly held) of Apex Group Limited and operates within the Group's Corporate Solutions division.

On 28 June 2019, the ultimate controlling party of the Company changed to Apex Group Limited, (“Apex”), as Apex successfully completed the acquisition of the Corporate and Private Client’s business of Link Administration Holdings Limited. Throughout the year up until 28th June 2019, the ultimate controlling party of the Company was Link Administration Holdings Limited.

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

As shown in the Company's Statement of Comprehensive Income on page 8, the Company's revenue is presented on a 12-month basis compared to the comparator which covers a six-month period. Accordingly, revenues are higher increasing from £4,871,546 to £9,552,617. Operating profit has decreased from £1,123,213 to £792,142 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 decreased from £14,257,799 to £10,817,362. Details of amounts owed by/to its Parent Company and fellow subsidiary undertakings are shown in notes 11, 12 and 13 to the financial statements.

KPIs

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

Risk Management

Risk appetite is articulated and managed with the Apex Group Limited 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.

APEX CORPORATE TRUSTEES (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

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.

Coronavirus (COVID-19) resilience plan and monitoring.

At the time of finalising the financial statements an assessment of the risk to the business from the spread of Coronavirus (COVID-19) was undertaken. On March 11, 2020, the World Health Organization declared the novel strain of coronavirus a global pandemic and recommended containment and mitigation measures worldwide. The nature and duration of the mitigating measures may adversely affect the operations of the Company to the extent that they harm the UK economy, asset values and capital markets, which may adversely affect our revenues and cash flows. We cannot reasonably estimate the length or severity of this pandemic, but it may have an impact on our financial performance in the fiscal year 2020. Risk mitigation steps are outlined below.

Apex Group Support

As Coronavirus continues to spread globally, Apex Group Ltd. and its subsidiaries (“Apex” or “the Group”) is closely monitoring developments as a priority and has robust safeguarding procedures in place. The Global Risk Committee, Human Resources department and Group Governance functions are closely monitoring the situation and collaborating to deliver robust oversight.

Divisional oversight

On a regular basis, the BCP Gold Committee made up of all divisional MDs, Corporate Solutions CEO and COO, Heads of IT, Risk, Finance and other key representation, meets to discuss current arrangements across jurisdictions with a particular focus on fast deployment of resources to support any emerging trends. Local Senior Management Teams do the same on a daily basis.

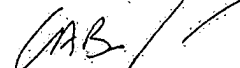
Infrastructure resilience

The Company benefits from robust Information Technology and business resilience capability, enabling all staff to work remotely to support client service delivery, and facilitate business operations in line with UK and international medical advice such as ‘stay at home’, self-isolation and social distancing. The Group IT team conduct regular tests for the IT disaster recovery plan, including testing for instances where circumstances require remote connection to our core applications. The Group applies the highest standards of information security and operates strict controls around access, including a two-factor authentication for accessing information outside of the Group network.

Due to its global nature, the Group has specific response plans that have been successfully tested across its operations in Shanghai, Hong Kong and Singapore, and are being applied to Apex Corporate Trustees (UK) Ltd, to reduce any service impact throughout this time. In addition, there is a coordinated approach to work closely with key business partners and vendors to ensure they also have adequate measures in place for providing an uninterrupted service.

Analysis framework

The above is supported by detailed operational resilience analysis across all entities with Apex Corporate Trustees (UK) Ltd having addressed all material risks as far as possible, and currently finalising advanced-stage measures to reduce any residual risk to barest minimum possible.


On behalf of the board
C A Benford
Director

6 May 2020

APEX CORPORATE TRUSTEES (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019

The directors present their annual report and financial statements of Apex Corporate Trustees (UK) Limited, (formerly Link Corporate Trustees (UK) Limited), for the year ended 30 June 2019. On 1 July 2019, the next accounting period of the Company was shortened from 30 June 2020 to 31 December 2019 in order to align the accounting period with that of the Company's new ultimate parent undertaking, Apex Group Limited.

Results and dividends

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

An interim dividend of £4,271,705 (6 months to June 2018: £nil), was declared on 28 January 2019. No final dividend was declared for either the year ended 30 June 2019, or the period ended 30 June 2018.

Going concern

As noted in note 1.2 to the financial statements, a revised going concern assessment has been undertaken considering the potential impact of COVID 19 on the firm's results and operations. Key to this assessment is the successful implementation of BCP. A sensitivity analysis on revenue has been assessed and a cash flow analysis prepared. The company could continue to operate for at least 12 months from the date of signing of these financial statements. If revenue were reduced by 20% and assuming a full costs basis continued, the operating cash flow remains positive over this period.

After making enquires, 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 accounts.

Directors

The following directors have held office since 1 July 2018:

S P Martin
H A Montagu (resigned 28th February 2020)
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.

APEX CORPORATE TRUSTEES (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

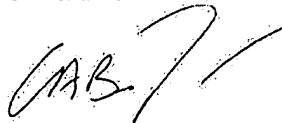
Qualifying 3rd party indemnity provisions

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
6 May 2020

APEX CORPORATE TRUSTEES (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2019

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 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, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- 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.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

Opinion

We have audited the financial statements of Apex Corporate Trustees UK Limited ("the company") for the year ended 30 June 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash flow and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

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 and analyzed 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.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report 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 the directors' report;
- in our opinion the information given in those reports 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.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

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 5, 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.

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

12 May 2020

APEX CORPORATE TRUSTEES (UK) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Revenue	3	9,552,617	4,871,546
Cost of sales	4	(5,049,377)	(2,165,169)
Gross profit		4,503,240	2,706,377
Administrative expenses	5	(3,724,824)	(1,597,190)
Other operating income		13,726	14,026
Operating profit	6	792,142	1,123,213
Profit before taxation		792,142	1,123,213
Taxation credit / (expense)	7	39,126	(215,417)
Total comprehensive income for the financial period		831,268	907,796

The notes on page 12-34 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.

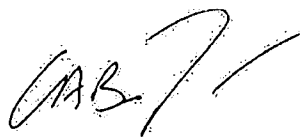
APEX CORPORATE TRUSTEES (UK) LIMITED

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2019

	Note	30 June 2019 £	30 June 2018 £
Non-current assets			
Property, plant and equipment	9	288,080	203,373
Deferred tax asset	10	21,928	32,035
Investments in subsidiaries	11	31	31
Other receivables	12	306,615	309,809
		<u>616,654</u>	<u>545,248</u>
Current assets			
Trade receivables	12	1,156,308	1,015,815
Other receivables	12	12,942,932	20,015,522
Cash and cash equivalents	16	685,896	266,150
		<u>14,785,136</u>	<u>21,297,487</u>
Current liabilities			
Trade and other payables	13	(4,453,034)	(7,446,767)
Net current assets		<u>10,332,102</u>	<u>13,850,720</u>
Total assets less current liabilities		10,948,756	14,395,968
Non-current liabilities			
Provisions	15	(131,394)	(138,169)
Net assets		<u>10,817,362</u>	<u>14,257,799</u>
Equity			
Share capital	17	8,975,001	8,975,001
Share premium account		999,999	999,999
Retained earnings		842,362	4,282,799
Total equity		<u>10,817,362</u>	<u>14,257,799</u>

The notes on page 12-34 form and integral part of these financial statements.

Approved by the Board and authorised for issue on 6 May 2020.



C A Benford
Director

APEX CORPORATE TRUSTEES (UK) LIMITED

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

Company Registration No. 00239726

	Share capital	Share premium account	Retained earnings	Total equity
	£	£	£	£
At 1 January 2018	8,975,001	999,999	3,375,002	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
Profit for the year	-	-	831,268	831,268
Total comprehensive income for the year	-	-	831,268	831,268
Dividends paid	-	-	(4,271,705)	(4,271,705)
At 30 June 2019	8,975,001	999,999	842,362	10,817,362

The notes on page 12-34 form an integral part of these financial statements.

APEX CORPORATE TRUSTEES (UK) LIMITED

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Year ended 30 June 2019	Period ended 30 June 2018
	£	£
Operating activities		
Operating profit for the period	792,142	1,123,213
Adjusted for non-cash flow items:		
Depreciation	50,655	31,162
Movement in provisions	662,949	189,914
Operating cash flows before movement in working capital	1,505,746	1,344,289
Decrease / (increase) in receivables	2,506,438	(3,853,300)
(Decrease) / increase in payables	(2,818,937)	1,688,474
Income taxes paid	(531,439)	-
Repayment of provisions	(106,700)	-
Net cash from operating activities	555,108	(820,537)
Investing activities		
Purchases of property, plant and equipment	(135,362)	(2,422)
Net cash used in investing activities	(135,362)	(2,422)
Financing activities		
Payment of dividends	-	-
Net cash from financing activities	-	-
Net increase/decrease in cash and cash equivalents	419,746	(822,959)
Cash and cash equivalents at the beginning of the period	266,150	1,089,109
Cash and cash equivalents at end of period	685,896	266,150

The notes on pages 12-34 form an integral part of these financial statements.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

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. Apex Corporate Trustees (UK) Limited (the "Company"), (formerly Link Corporate Trustees (UK) Limited), is a company incorporated in England and Wales, in the UK and its registered office address is 6th floor 125 Wood Street, London, EC2V 7AN.

1.2 Going concern

The company has sufficient financial resources together with long standing client and supplier relationships. As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquires, 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.

An assessment on the potential impact of COVID-19 has been undertake and BCP successfully implemented. A sensitivity analysis on revenue has been assessed and a cash flow analysis prepared. The company could continue to operate for at least 12 months from the date of signing of these financial statements. If revenue were reduced by 20% and assuming a full costs basis continued, the operating cash flow remains positive over this period.

1.3 Compliance with accounting standards

These financial statements were prepared in accordance with International Financial Reporting Standards as adopted by the European Union, ("Adopted IFRS"), IFRIC interpretations and those parts of the Companies Act 2006, applicable to Companies reporting under IFRS.

In previous periods, the financial statements were prepared in accordance with the reduced disclosure requirements of Financial Reporting Standard 101 – Reduced disclosure Framework, ("FRS 101"). As a result, the following disclosures have been included for the first time,

- Cashflow statement
- Notes to cashflow statements
- Related party disclosures
- Financial risk management disclosures

There has been no change in the accounting policies applied by the Company as a result of the change to Adopted IFRS from FRS 101. The change has taken place due to the change in the ultimate ownership of the Company on 28 June 2019. As at 30 June 2019, no parent entity of the Company has prepared publicly available consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

The change from FRS 101 to Adopted IFRS has not had any effect on the Company's reported financial position, financial performance or cash flows. There has been no change in the recognition and derecognition criteria for assets and liabilities and no change in measurement requirements. As the transition has not had any impact on the opening financial statements, the reconciliation table normally required by IFRS 1, has not been presented.

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

APEX CORPORATE TRUSTEES (UK) LIMITED

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

Accounting policies (continued)

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.

The impact of the adoption is currently under management review as of the date of signing of the financial statements.

1.4 Revenue recognition

Revenue represents amounts receivable for goods and services net of VAT and trade discounts and comprises fee and commission income.

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.

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:

Computer equipment	3 years
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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.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

Accounting policies (continued)

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.
- 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

Non-derivative financial assets - classification and measurement

The Company initially recognizes trade and other receivables and payables on the date of transaction. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

Accounting policies (continued)

Trade receivables

Trade and other receivables are recognized initially at fair value. Subsequent to initial recognition, they are measured at amortised cost less any impairment losses.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost. Details about the Company's impairment policies are provided below.

Trade and other payables

Trade and other payables are recognized initially at fair value. Subsequent to initial recognition, they are measured at amortised cost, less any impairment losses.

Classification and measurement

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 Company measures its financial assets and liabilities at amortised cost.

Non-derivative financial instruments

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

- The assets held with a business model whose objective is to collect the contractual cash flows, and
- The contractual term give rise to cash flows that are solely payments of principal and interest

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.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

1 Accounting policies (continued)

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.

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. 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 maintains an allowance for doubtful accounts for the estimated non-collection of accounts receivable. Uncollectable items are presumed 180 days after invoice issue date unless there are known customer - specific reasons for the delay in settlement.

The Company has determined that IFRS 9 expected credit loss on the financial assets measured at amortised cost had no material impact on financial statements as at balance sheet date. The Company maintains an allowance for doubtful accounts for the estimated non-collection of accounts receivable.

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.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

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 Apex Group 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

The functional and presentational current of the Company is pounds sterling. 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 Changes in accounting policies

a) IFRS 9 Financial Instruments

Impact on the financial statements

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. However, the adoption of IFRS 9 Financial Instruments from 1 July 2018 has not resulted in significant changes on the financial statements the Company has not adjusted its financial statements.

The Company's new accounting policies related to IFRS 9 is disclosed in note 1.11.

b) IFRS 15 Revenue from contracts with customers

Impact on the financial statements

The Company has adopted IFRS 15 Revenue from Contracts with Customers from 1 July 2018. However, the adoption of IFRS 15 Revenue from Contracts with Customers from 1 July 2018 has not resulted in significant changes on the financial statements the Company has not adjusted its financial statements.

The Company's new accounting policies related to IFRS 15 is disclosed in note 1.4.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

1. Accounting policies (continued)

1.16 Related Party Transactions

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control of the reporting entity
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

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 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 Company generates revenue from the provision of corporate services to customers within the United Kingdom.

	Year ended 30 June 2019	6-month period ended 30 June 2018
	£	£
Revenue from contracts with customers recognised at a point in time	6,835,980	3,486,143
Revenue recognized over time	2,716,637	1,385,403
Total Revenue	<u>9,552,617</u>	<u>4,871,546</u>

4. Cost of sales

	Year ended 30 June 2019	6-month period ended 30 June 2018
	£	£
Employee related expenses	5,049,377	2,165,169
	<u>5,049,377</u>	<u>2,165,169</u>

APEX CORPORATE TRUSTEES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

5. Administrative expenses

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Employee related expenses	402,076	204,053
IT Expenses	663,667	466,853
Rent	704,562	352,281
Office expenses	921,623	302,493
Insurance	239,189	124,808
Travel	133,810	115,250
Depreciation and Amortisation	50,655	31,162
Legal & Professional fees	452,096	3,532
Bad and doubtful debts	157,146	-3,242
	<u>3,724,824</u>	<u>1,597,190</u>

6. Operating profit

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Profit for the period is stated after charging / (crediting):		
Net foreign exchange (gains)	(13,724)	(72,419)
Depreciation of property, plant and equipment	50,655	31,162
Operating lease rentals – plant and machinery	<u>2,044</u>	<u>217</u>

APEX CORPORATE TRUSTEES (UK) LIMITED

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

7. Taxation

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Corporation tax		
Current year charge	141,039	213,650
Adjustments in respect of prior periods	(190,272)	-
	<u>(49,233)</u>	<u>213,650</u>
Deferred tax		
Origination and reversal of temporary differences	10,107	1,767
	<u>10,107</u>	<u>1,767</u>
Total tax (credit) / charge	<u>39,126</u>	<u>215,417</u>

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

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Profit before taxation on continued operations	792,142	1,123,213
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19% (2018: 19%)	150,507	113,122
Taxation impact of factors affecting tax charge:		
Expenses not deductible in determining taxable profit	1,828	2,215
Effect of change in UK corporation tax rate	(1,189)	627
Adjustments in respect of current tax of prior years	<u>(190,272)</u>	<u>-</u>
Total adjustments	<u>(189,633)</u>	<u>2,007</u>
Tax (credit) / charge for the year	<u>(39,126)</u>	<u>215,417</u>

The UK corporation tax rate decreased from 20% to 19% from 1 April 2017. The deferred tax balance has been adjusted to reflect this change.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

8. Dividends

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Interim dividend	4,271,705	-
	<u>4,271,705</u>	<u>-</u>

An interim dividend of 47.6p per share was declared on 28 January 2019.

9. Property, plant and equipment

	Computer equipment £
Cost	
At 1 July 2018	248,721
Additions	135,362
Disposals	(644)
30 June 2019	<u>383,439</u>
Depreciation	
At 1 July 2018	45,348
Charge for the year	50,655
Disposals	(644)
At 30 June 2019	<u>95,359</u>
Net book value	
At 30 June 2019	<u>288,080</u>
At 30 June 2018	<u>203,373</u>

APEX CORPORATE TRUSTEES (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

10. Deferred tax asset

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Balance at 1 July 2018 / 1 January 2018	32,035	33,802
Income statement (charge)	(10,107)	(1,767)
Balance at 30 June 2019 / 30 June 2018	<u>21,928</u>	<u>32,035</u>
	30 June 2019 £	30 June 2018 £
Accelerated capital allowances	<u>21,928</u>	<u>32,035</u>
Balance at 30 June 2019 / 30 June 2018	<u>21,928</u>	<u>32,035</u>

11. Investments in subsidiaries

	Shares in subsidiary undertakings £
Cost	
At 1 July 2018	31
Additions	-
At 30 June 2019	<u>31</u>
Net book value	
At 30 June 2019	<u>31</u>
At 30 June 2018	<u>31</u>
Holding of ordinary share capital	

APEX CORPORATE TRUSTEES (UK) LIMITED

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

11. Investments in subsidiaries (continued)

Details of the Company's subsidiaries at 30 June 2019 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
Apex Trust Corporate Ltd #	England	100	Trustee & Administrative Services
Apex 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
Apex KWS Ltd *	England	100	Trustee & Administrative Services
Apex 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
Apex Trust Secretaries Ltd*	England	100	Trustee & Administrative Services
Apex Corporate Services (UK) Ltd*	England	100	Trustee & Administrative Services
Apex Pension Trustee Company (1997) Ltd *	England	100	Trustee & Administrative Services
White City Property Nominee Ltd*	England	100	Trustee & Administrative Services
Apex Pension Trustees Ltd*	England	100	Trustee & Administrative Services
Apex Trust Nominees No. 2 Ltd*	England	100	Trustee & Administrative Services
Apex Consortium Nominees No.2 Ltd*	England	100	Trustee & Administrative Services
Apex ASOP Ltd *	England	100	Trustee & Administrative Services
Apex ATL Pension Trustees Ltd *	England	100	Trustee & Administrative Services
Apex Pension Secretariat Ltd *	England	100	Trustee & Administrative Services
Apex Trust Nominees No.1 Ltd *	England	100	Trustee & Administrative Services
Apex (LLRP) Trustee Limited	England	100	Trustee & Administrative Services

- Directly held and incorporated at 6th floor, 125 Wood Street, London, EC2V 7AN.

* - Indirectly held and incorporated at 6th Floor, 125 Wood Street, London EC2V 7AN.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

12. Trade and other receivables

	30 June 2019 £	30 June 2018 £
Non-current		
Other receivables	306,615	309,809
	30 June 2019 £	30 June 2018 £
Current		
Trade receivables	1,156,308	1,015,815
Amount due from parent and fellow subsidiary undertakings	12,017,146	18,985,404
Prepayments and accrued income	776,854	722,617
Other receivables	148,931	307,501
	14,099,239	21,031,337

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

Due to their short-term nature, the carrying amount of all trade and other receivables is their fair value.

13. Trade and other payables

	30 June 2019 £	30 June 2018 £
Trade payables	107,727	81,688
Amount due to parent and fellow subsidiary undertakings	1,444,109	4,052,347
Corporation tax	1,476	582,149
Other taxes and social security	12,357	166,654
Other payables	280,741	109,651
Accruals and deferred income	2,606,624	2,207,303
Deferred consideration	-	246,975
	4,453,034	7,446,767

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

Due to their short-term nature, the carrying amount of all trade and other payables is their fair value.

14. 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 year amounted to £206,704 (6-month period to June 2018: £113,929).

APEX CORPORATE TRUSTEES (UK) LIMITED

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

15. Provisions

	Dilapidations provision £	Provision for claims £	Total £
Balance as at 1 July 2018	-	138,169	138,169
Repayment of provision	-	(106,700)	(106,700)
Recognition of provision	99,925	-	99,925
Balance at 30 June 2019	99,925	31,469	131,394

16. Notes to the statement of cashflows

Cash and cash equivalents

	30 June 2019 £	30 June 2018 £
Cash and bank balances	685,896	266,150

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as shown below.

Analysis of changes in net debt

	1 July 2018 £	Cash Flow £	Other non- cash movements £	31 June 2019 £
Cash and bank balances	266,150	419,746	-	685,896
Borrowings	-	-	-	-
Net debt	266,150	419,746	-	685,896

Balances at 30 June 2019 comprise:

	Current assets £	Total £
Cash and bank balances	685,896	266,150
Net cash	685,896	266,150

APEX CORPORATE TRUSTEES (UK) LIMITED

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

17. Share capital

	30 June 2019 £	30 June 2018 £
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.

On 28 June 2019, the ultimate controlling party of the Company changed to Apex Group Limited, ("Apex"), as Apex successfully completed the acquisition of the Corporate and Private Client's business of Link Administration Holdings Limited. Throughout the year up until 28th June 2019, the ultimate controlling party of the Company was Link Administration Holdings Limited.

18. Financial Risk Management

The Company's financial instruments comprise of cash and cash equivalents, trade and other receivables and trade and other payables.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises principally from the Company's trade and other receivables and its cash balances. The Company gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk.

There are no significant concentrations of credit risk, through exposure to individual customers. An analysis of the credit quality of trade receivables that were past due but not impaired is shown below.

Currency risk

As at 30 June 2019 the Company had limited currency exposures. All material financial assets and liabilities are denominated in pound sterling. It is and has been throughout the year, the Company's policy that no trading in financial instruments shall be undertaken.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to the Company's reputation.

The Directors manage liquidity risk by regularly reviewing cash requirements by reference to short term cash flow forecasts and medium-term working capital projections prepared by management. The Company maintains good relationships with its banks, which have high credit ratings.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

18. Financial Risk Management (continued)

Interest rate risk

The Company's trade and other receivables and trade payables are carried at amortised cost and are not subject to repricing.

The Company does not have any interest-bearing financial liabilities, therefore does not suffer from any interest rate risk.

Categories of financial instrument

The Company's financial instruments in each applicable category are shown below,

	30 June 2019 £	30 June 2018 £
Financial assets at amortised cost		
Cash and cash equivalents	685,896	266,150
Trade receivables	1,156,308	1,015,815
Other receivables	12,166,077	19,292,905
	<u>14,008,281</u>	<u>20,574,870</u>
Financial liabilities measured at amortised cost		
Trade and other payables	(1,884,933)	(4,243,686)
Net position	<u>12,123,348</u>	<u>16,331,184</u>

The Company classifies its financial assets at amortised cost on the basis that the asset is held within a business model whose objective is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest.

Trade receivables

	30 June 2019 £	30 June 2018 £
Trade receivables	1,358,212	1,060,573
Allowance for doubtful debts	(201,904)	(44,758)
	<u>1,156,308</u>	<u>1,015,815</u>

The movement in the loss allowance during the period is shown in the table below,

	30 June 2019 £	30 June 2018 £
Opening loss allowance	44,758	49,943
Increase / (decrease) in the loss allowance during the period	<u>157,146</u>	<u>(5,185)</u>
	<u>201,904</u>	<u>44,758</u>

APEX CORPORATE TRUSTEES (UK) LIMITED

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

18. Financial Risk Management (continued)

An ageing analysis of the trade receivables position as at each period end is shown in the table below,

30 June 2019	Current	31 – 60 days	61 – 90 days	91 – 120 days	121 – 180 days	More than 180 days
	£	£	£	£	£	£
Gross carrying amount	580,985	220,267	346,199	13,229	183,347	201,904
Expected loss rate	-	-	-	-	-	100%
Loss allowance	-	-	-	-	-	201,904
30 June 2018	Current	31 – 60 days	61 – 90 days	91 – 120 days	121 – 180 days	More than 180 days
	£	£	£	£	£	£
Gross carrying amount	590,316	317,338	140,152	19,372	69,580	44,758
Expected loss rate	-	-	-	-	-	100%
Loss allowance	-	-	-	-	-	44,758

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classed as current. The Company holds the trade receivables with the objective of collecting the contractual cash flows and so it measures them at amortised cost using the effective interest method.

Capital risk management

The Company manages its capital to ensure that will be able to continue as a going concern while seeking to maximise the return to shareholders through the optimisation of the debt and equity balance.

The Company's objectives when managing capital are to,

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

APEX CORPORATE TRUSTEES (UK) LIMITED

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

18. Financial Risk Management (continued)

The debt / equity ratio is provided in the table below,

	30 June 2019 £	30 June 2018 £
Net debt	3,898,532	7,318,786
Equity	10,817,362	14,257,799
Net debt / equity ratio	0.36	0.51

19. Directors' remuneration

The Directors are the key management personnel of the Company. 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,

	Year ended 30 June 2019 £	6-month period ended 30 June 2018 £
Remuneration for qualifying services – short term benefits	201,575	166,524
Post-employment benefits	24,323	12,295
	225,898	178,819

The number of directors for whom retirement benefits are accrued under defined contribution schemes amounted to 3 (2018: 3).

20. Employees

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

	Year ended 30 June 2019 Number	6-month period ended 30 June 2018 Number
Operations	39	41
Sales	5	4
Admin	20	28
	64	73

APEX CORPORATE TRUSTEES (UK) LIMITED

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

20. Employees (continued)

Their aggregate remuneration comprised:

Employment costs

	Year ended	6-month period
	30-Jun-19	ended
	£	30-Jun-18
		£
Wages and salaries	4,287,335	2,236,618
Social security costs	467,138	260,161
Pension costs	206,704	113,929
Other allowances	205,784	-
Temp staff	281,047	-
	<u>5,448,008</u>	<u>2,610,708</u>

21. 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 2019
	£
Within one year	-
Between two and five years	2,044
In over five years	-
	<u>-</u>

APEX CORPORATE TRUSTEES (UK) LIMITED

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

22. Related party transactions

During the year, the Company entered into a number of transactions with fellow group undertakings. The outstanding balances as at each period end and the total of transactions undertaken during the period are shown in the table below,

Year ended 30 June 2019	Receivable	Payable
Apex Consolidation Entity Limited (Shareholder)	9,783,426	1,049,244
Throgmorton UK Limited	636,441	-
Apex Corporate Services S.A.	495,832	-
Apex IFS Limited	336,102	-
Apex Asset Services (Jersey) Limited	-	296,541
Apex Corporate Services Group B.V.	261,512	-
Apex Corporate Services (Schweiz) GmbH	246,734	-
Apex Hungary Corporate Services LLC	178,397	-
Apex ASI Limited	-	86,725
Apex Corporate Services B.V.	56,285	-
Apex TSI Limited	22,418	-
Apex Alternative Fund Administrators Limited	-	6,523
Apex Trustees (Jersey) Limited	-	4,667
Apex Asset Services BV	-	410
TOTAL	12,017,146	1,444,109

APEX CORPORATE TRUSTEES (UK) LIMITED

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

22. Related party transactions (continued)

Year ended 30 June 2019	Sales £	Purchases £
Link Alternative Fund Administrators Limited	-	6,523
Link ASI Limited	-	88,541
Link Asset Services (Holdings) Limited	22,426	138,653
Link Asset Services (Jersey) Limited	745,539	2,042,079
Link Asset Services (UK) Limited	57,234	-
Link Asset Services BV	-	-
Link Corporate Services (Schweiz) GmbH	243,454	15,201
Link Corporate Services B.V.	196,375	159,369
Link Corporate Services Group B.V.	346,207	84,383
Link Corporate Services S.A.	497,065	234
Link Fund Administrators Limited	-	8,795
Link Fund Solutions Limited	-	-
Link Hungary Corporate Services LLC	243,739	83,820
Link IFS Limited	327,347	-
Link Market Services Limited	713,230	2,075,694
Link Mortgage Services Limited	-	14,925
Link Trustees (Jersey) Limited	-	4,667
Link TSI Limited	58,321	35,415
Throgmorton UK Limited	748,526	134,372
Link Asset Services	150,876	333,465
TOTAL	4,350,338	5,226,136

Central Management Recharges	Year ended 30 June 2019	6-month period ended 30 June 2018
Throgmorton UK Ltd	424,761	237,938
Company Matters	251,824	182,249
Link Hungary Vallati Szolgaltatasok kft	152,685	114,053
Link IFS Ltd	235,586	150,212
Link Corporate Services (Schweiz) GmbH	176,383	130,277
Link Asset Services (Jersey) Limited	537,541	289,011
Link Corporate Services B.V.	234,498	151,996
Link Corporate Services S.A.	383,580	210,584
	2,396,860	1,466,320

APEX CORPORATE TRUSTEES (UK) LIMITED

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

22. Related party transactions (continued)

Due to the sale of the Company by Link Group to Apex Group on 28th June 2019, all intercompany balances previously owed/due to Link Group were transferred to Apex Group.

As well as the above transactions, the Company also declared dividends during the year to Link Asset Services (Holdings) Limited to the value of £4,271,705, (2018: £nil).

6-month period ended 30 June 2018	Sales £	Purchases £	Receivables £	Payables £
Link ASI Limited	-	86,595	-	86,595
34Link Asset Services (Holdings) Limited - shareholder	-	961,118	-	2,605,612
Link Asset Services (Jersey) Limited	144,528	860,677	-	716,149
Link Corporate Services (Schweiz) GmbH	27,669	-	27,669	-
Link Corporate Services B.V.	111,992	-	111,992	-
Link Corporate Services Group B.V.	27,015	-	27,015	-
Link Corporate Services S.A	104,733	-	104,733	-
Link Hungary Corporate Services LLC	22,985	-	22,985	-
Link Market Services Limited	31,430	305,880	-	274,450
Link Mortgage Services Limited	-	14,925	-	-
Link TSI Limited	57,833	-	57,833	-
Throgmorton UK Limited	82,238	-	82,238	-
Link IFS Limited	47,601	-	47,601	-
	658,024	2,229,195	482,066	3,682,806

23. Ultimate controlling party

The Company's immediate parent undertaking is Apex Consolidation Entity Limited, a company incorporated in England and Wales, (2018: Link Asset Services (Holdings) Limited, a company incorporated in England and Wales).

The Company's ultimate parent undertaking is Apex Group Limited, a Company incorporated in Bermuda, (2018: Link Administration Holdings Limited, a Company incorporated in Australia).

24. Subsequent Events

On March 11, 2020 the World Health Organization declared the novel strain of coronavirus a global pandemic and recommended containment and mitigation measures worldwide. The nature and duration of the mitigating measures may adversely affect the operations of the Company to the extent that they harm the UK economy, asset values and capital markets, which may adversely affect our revenues and cash flows. We cannot reasonably estimate the length or severity of this pandemic, but it may have an impact on our financial performance in the fiscal year 2020.