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TD SYNNEX UK Limited

Report and Financial Statements

For the period ended 30 November 2022

Registered Number: 01691472

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Contents

Company Information

Directors

S Amsellem
A Gass
S Philp
D Watts

Auditors

KPMG LLP
2 Forbury Place
33 Forbury Road
Reading
Berkshire
RG1 3AD

Bankers

Citibank N.A.
Citigroup Centre
Canary Wharf
London E14

Registered Office

Maplewood
Crockford Lane
Chineham Business Park
Chineham
Basingstoke
Hampshire
RG24 8YB

Strategic report

Development and performance of the business

TD SYNNEX UK Limited is a major trade-only distributor of IT, communications and consumer electronics products and services to the computer and mobile communications industry, operating through a number of product divisions addressing different sectors of the market. The Company divides its business predominantly between two business units. IT business hardware and consumer electronics are transacted through its Endpoint Solutions business unit. Software, security, data analytics, servers and services are transacted through its Advanced Solutions business unit.

Although the technology sector has been impacted by macro-economic factors in the wider economy the industry continues to see strong performance and growth in several areas. The Company mitigates the risk of down turns in any one particular industry through its diverse portfolio of customers, products and services. TD SYNNEX UK Limited's financial performance remains robust, profitable and cash generating.

The technology sector has seen increased demand within the Advanced Solutions markets in particular the cloud and data centre business divisions. The Company has also continued to see robust performance and growth in with its largest resellers as business move forward with investment that had been paused during the pandemic. As well as an acceleration on clearing backlogs with some of the Company's largest vendors as supply chain pressures ease with international markets opening up fully and China moving away from its zero-Covid policy. The Company continues to deliver market leading innovative solutions for its customers as a leader in the marketplace.

The Company continued to focus on its core business streams in its Endpoint Solutions sector which has seen a downturn in demand post the pandemic demand for hardware to support business in working from home and the retail customers turning to technology to stay connected. The Directors are focused on the potential in the Endpoint Solutions sector by growing market share as the division returns to pre-pandemic levels.

The Company's key financial and other performance indicators, for the period were as follows:

	10 months ending 30 November 2022 £000	*Restated 12 months ending 31 January 2022 £000*	*Change Percentage*
Turnover	**1,540,837**	1,796,712	(14%)
Total operating profit	**26,454**	36,446	(27%)
Other non-operating income	**-**	4,202	(100%)
Profit after tax	**24,781**	34,684	(29%)
Shareholders' funds	**336,200**	311,702	8%
Average number of employees	**1,119**	1,101	2%
	%	%	
Current assets as a % of current liabilities	**123**	126	

Strategic report (continued)

On 17 October 2022, the Company changed its registered name from Tech Data Limited to TD SYNNEX UK Limited. The company has shortened its reporting period so as to end on 30 November 2022. Comparative information has been presented in respect of the year ended 31 January 2022.

Results and dividends

The profit for the period ended 30 November 2022, after taxation, amounted to £24.8m (restated year ended 31 January 2022 – £34.7m). The Directors made the payment of a final dividend of £nil (year ended 31 January 2022 – £45.4m). There were no interim dividends declared or paid during the period (year ended 31 January 2022– £nil). Dividends received in the period amounted to £nil (year ended 31 January 2022– £nil).

Principal risks and uncertainties

The Company's operations expose it to a variety of financial and non-financial risks that include liquidity risk, legislative risk, currency risk, credit risk, competitive risk and pricing risk. Given the size of the Company, the Directors have not delegated the responsibility of monitoring risk management to a sub-committee of the Board.

The financial and non-financial risks are monitored at a corporate level. The policies set by the Board of Directors are implemented by the Company's finance department.

The risks and uncertainties identified have been discussed further below.

Cash flow and liquidity risk

The Company has access to the cash required for normal operations by being part of the global cash-pooling arrangement.

The Company uses its cash flows to settle amounts due to suppliers within agreed terms in order to secure rebates and discounts available to it, and also to ensure that it maintains a strong inventory holding to meet customer demand. The Company has cash balances of £0.1m (31 January 2022 – £0.5m) which earn interest at a variable rate. The Company has access to the cash required for normal operations by being part of the global cash-pooling arrangement. The Company's balance on the IHB was reported in the amount of £170.5m at 31 October 2023. The Directors consider that the cash flow risk is at an acceptable level, and risks are mitigated through use of the group cash pool balances.

Foreign currency risk

The Company has transactional currency exposures which arise from sales and purchases in currencies other than its functional currency. Potential exposures to foreign currency exchange rate movements are monitored on a regular basis and are hedged accordingly.

Credit risk

There is a risk of financial loss to the Company arising from the failure of the Company's customers to meet their financial obligations for the products and services provided by the Company. The Company manages this situation through an appropriate insurance policy and credit control procedures. Management are of the view that the credit risk is at an acceptable level.

Competitive and pricing risk

The IT distribution industry continues to be an area of significant competition, from both the traditional distributors and also those suppliers that employ a direct sales model. The trend of pricing continues to be down and as such gross margins need to be effectively managed to ensure continued profitability. Working closely with our suppliers and customers is critical to maintain growth and profitability, by managing inventory levels and offering value added services to our customers. The Company will also continue to look to manage margins by considered strategic product and market diversification.

Strategic report (continued)

Legislative risk

Compliance with trade, anti-corruption and anti–bribery legislation affecting the Company such as import and export regulations and the UK Bribery Act, are of paramount importance to the Company and its wider group. To ensure that changes in legislation are understood and implemented efficiently the Company and its wider group employs a number of experts internally to ensure full compliance.

Section 172 (1) Statement/Stakeholder engagement

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. In doing so the Directors recognise that the success of the Company depends on strong and positive relationships with key stakeholders (co-workers, customers, suppliers and shareholders) as well as the long-term impacts of any decision and the impact of the Company on the community and the environment.

The Directors regularly attend customer and vendor meetings and events enabling them to understand the priorities, concerns, operations and opportunities of these stakeholders as well as share with them the Company value proposition, achievements and plans. These meetings and events also provide the opportunity to build strategic relationships with senior level contacts on a one-to-one basis. Stakeholder information and company performance data is evaluated through regular Senior Leadership Team meetings, attended by all the Directors and key senior leaders of the Company, to evaluate any issues that may impact these stakeholders and performance data.

The Company places considerable value on the involvement of its co-workers and has continued its previous practice of keeping them informed on matters affecting them as co-workers and on various factors affecting the performance of the Company. This is achieved through formal and informal meetings as well as engagement surveys. Co-worker representatives are consulted on a wide range of matters affecting their current and future interests.

The Company supports its local communities both directly and through its co-workers. The Company will match money raised through various activities by the Charity Committee as well as through money raised by its co-worker-led Business Resource Groups (BRGs), who play a critical role in the commitment to Diversity, Equity & Inclusion. In addition, all co-workers are able to volunteer their time, both personally and in a work environment, through a variety of volunteering opportunities.

The Company is committed to protecting our environment and the impact of our business operations on the environment. The Company regularly monitors its energy and water usage to see if there are improvements that can be made across our sites to reduce our usage of such resources. In addition, the Company operates recycling schemes at all sites and splits its recycling from its general waste. The Company requires that any waste that cannot be recycled does not go to landfill. Packaging of the products which the Company distributes is kept to minimum to avoid unnecessary waste and weight and the Company is part of the required Battery and WEEE compliance schemes, since 1st April 2022 the company now also complies with the new Plastic Packaging Tax regulations. The company has also appointed a director of environment and compliance to deliver its Net Zero Carbon strategy.

Strategic report (continued)

Although the Company doesn't operate in a heavily regulated industry, from time to time it still liaises actively with all relevant regulators such as Companies House, HMRC, the Information Commissioner's Office and the Environment Agency. The Company's approach is always to fully engage and work with such regulators to ensure it operates in a compliant manner in accordance with the Company's Code of Conduct.

The Directors remained committed to their position within the local area with initiatives such as TD SYNNEX Volunteers where staff are encouraged to volunteer within their communities.

These actions assist the Directors in understanding the impact of their decisions on key stakeholders and in performing their duties under section 172 of the Companies Act.

Future developments

Whilst demand for IT products and services have seen lower demand in the most recent months, the directors believe the longer term macro technology trends will support business growth. Alongside this the directors will continue to target new vendors, customers and to develop flexible distribution solutions to enable the company to deliver value for stakeholders.

On behalf of the Board

DocuSigned by:
Steve Philp
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S Philp

Director
Date: Dec 5, 2023

Registered No. 01691472

Directors' report

The Directors present their report and financial statements for the period ended 30 November 2022.

Directors

The Directors who served during the period and up to the date of the financial statements were as follows:

S Amsellem
A Gass
D Watts
S Philp

The Directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 2006.

Going concern

At the reporting date, the Company had net current assets of £161.6m. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The principal activity of the company is to trade in IT, communications and consumer electronics products and services to the computer and mobile communications industry, operating through a number of product divisions addressing different sectors of the market. The Company is the primary trading entity of the TD SYNNEX Group in UK and therefore it is key for the Group to maintain its presence to deliver leading innovative solutions to its customers in the UK market. The company's cash flows are therefore dependent on the continuation, volume, and pricing of those operations.

The Directors have been monitoring the markets assessing any risks as they arise that could impact the company. Currently the United Kingdom has returned to relative stability and the Company continues to manage foreign exchange risks by hedging with forward contracts.

The company meets its day to day working capital requirements from operational cash flows, intercompany loan and trading balances with the group headed TD SYNNEX Corporation, ultimate parent company.

The Company does not maintain local cash balances and has entered into treasury management and current account agreements with TD SYNNEX UK Acquisition Limited, an in-house bank entity ("IHB"). The said IHB entity also brings together cash from the EMEA and Asia Pacific regions in the group as the central in-house bank for the EMEA and Asia Pacific cash pooling. The company has an unconditional right to access and draw down from the IHB throughout the going concern period. The company does not require approval and there are no restrictions before drawing down from the IHB. The company's balance on the IHB was reported as a receivable amounting to £170.5m at 31 October 2023 and £136.0m reported as a net receivable as on 30 November 2022. The increase in IHB balance reflects the activity of vendor settlements, cash collections and FX hedging that occurred at each period end.

The directors have performed a going concern assessment which indicates that the company will have sufficient funds to meet its liabilities as they fall due during 12-month period ending 30 November 2024, the going concern assessment period. This assessment has modelled the expected cash days for the going concern period showing positive cash days every quarter due to how the company manages its working capital arrangements with customers and vendors. We continue to support our customers with credit with the team mitigating the risk of bad debt by closely monitoring the market and customers financial positions. This is further mitigated by our comprehensive EMEA credit insurance provided by a market leading insurer.

TD SYNNEX Corporation has indicated its intention to continue to make available such funds as are needed by the company and that it does not intend to seek repayment of the amounts currently due to the group, which at 30 November 2022 amounted to £72.2m, during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Directors' report (continued)

Going concern *(continued)*

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Post balance sheet events

There have been no significant events after the statement of financial position date.

Financial instruments

The Company has established a risk and financial management framework whose primary objectives are to protect the Company from events that hinder the achievement of the Company's performance goals.

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk. The Directors are satisfied that the objective to limit undue exposure has been met.

Dividends

Refer to the Strategic report.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that 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 with that of other employees.

Employee involvement

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the Company. This is achieved through formal and informal meetings. Employee representatives are consulted on a wide range of matters affecting their current and future interests.

Business relationships

The Company is focused, through reseller relationships, on delivering innovative technology solutions to our customers to improve the way they work, deliver cost savings and efficiencies.

The Company fosters long-standing vendor relationships with key partners to deliver solutions to a diverse customer base through our resellers. As well as growing a diverse portfolio of products, the Directors are pursuing multiple value add services and skillsets to support our vendors within the channel to deliver cutting edge technological solutions.

Creditors payment policy and practice

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

At 30 November 2022, the Company had an average of 85 days purchases outstanding in trade creditors (31 January 2022 – 75 days).

Directors' report (continued)

Energy and carbon reporting

Summary

TD SYNNEX UK Limited's greenhouse gas emissions, reportable under SECR for the financial year February 2022 to November 2022 were 1,484 tonnes CO_2e. These include the emissions associated with electricity and natural gas consumption, business travel in private vehicles by employees as well as two new emission sources: water supply & treatment has been included for Magna Park and waste disposal for all sites.

We have calculated an intensity ratio, which expresses the business's annual emissions in relation to a quantifiable factor or normaliser. The intensity ratio is 826kg CO_2e per £m revenue.

It should be noted that TD SYNNEX has adjusted the period for which the business reports its accounts and the associated emissions, this is to align the carbon reporting with a change in the fiscal year of the business. This carbon emissions report is for the reporting period February 2022 to November 2022. The previous reporting period was February 2021 to January 2022. Accordingly, the two reporting periods are not directly comparable.

The emissions from transport have increased due to the end of government restrictions that were brought in due to the Covid-19 pandemic, which means that our co-workers are traveling more frequently to service contracts and business meetings.

Greenhouse gas emissions

Figure 1 Greenhouse gas emissions by year (tonnes CO2e)

Emissions source	Feb 2021-Jan 2022	Feb 2022-Nov 2022	Share (%)	YoY Variance (%)
Fuel combustion: Natural Gas	798	604	40.7%	-24%
Purchased Electricity	828	652	43.9%	-21%
Fuel combustion: Transportation	71	219	14.8%	208%
Water: Supply & Treatment	-	2	0.1%	0%
Waste Treatment	-	7	0.5%	0%
Total emissions (tCO2e)	**1,697**	**1,484**	**100%**	**-13%**
Revenue (£m)	**2,314**	**1,797**		-22%
Intensity: (kg CO_2e per £m of revenue)	733	**826**		**13%**

Figure 2 Greenhouse gas emissions by scope (tonnes CO2e)

Emissions source	Feb 2021-Jan 2022	Feb 2022-Nov 2022	Share (%)	YoY Variance (%)
Scope 1	798	604	41%	-24%
Scope 2	760	597	40%	-21%
Scope 3	139	283	19%	104%
Total emissions (tCO2e)	**1,697**	**1,484**	**100%**	**-13%**

Scope 1: Natural gas. Scope 2: Electricity. Scope 3: Losses from electricity distribution and transmission and company travel in private vehicles. This also includes water supply & treatment and waste recycling. This only includes emissions reportable under SECR and may not reflect the entire carbon footprint of the organisation.

Directors' report (continued)

Energy and carbon reporting (continued)

Energy consumption

Figure 3 Energy consumption by year (kWh)

Emissions source	Feb 2021-Jan 2022	Feb 2022-Nov 2022	Share (%)	YoY Variance (%)
Natural Gas	4,359,185	3,308,681	45.4%	-24%
Electricity	3,580,822	3,087,193	42.4%	-14%
Transport fuel	290,455	886,801	12.2%	205%
Total consumption (kWh)	**8,230,462**	**7,282,675**	**100%**	**-12%**

Boundary, methodology and exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary.

This approach captures emissions associated with the operation of the office buildings and warehouse operated by TD SYNNEX UK Ltd plus employee-owned vehicles used for business. This report covers UK operations only, as required by SECR for Non-Quoted Large Companies.

This information was collected and reported in line with the methodology in the UK Government's Environmental Reporting Guidelines, 2019.

Emissions have been calculated using the latest conversion factors provided by the UK Government. There are no material omissions from the mandatory reporting scope.

TD SYNNEX has adjusted the period for which the business reports its emissions, this has been done to align the carbon reporting with a change in the fiscal year of the business.

Energy efficiency initiatives

TD SYNNEX are committed to energy efficiency and environmental protection. The business has made significant investment decisions in 2022, which will have a positive impact on energy reduction and demonstrates the importance of carbon reduction to the business.

TD SYNNEX continues to operate from four locations in the UK, a warehouse in Magna Park, Lutterworth, and offices in Bracknell, Basingstoke, and Warrington.

Both the Bracknell, Basingstoke Office and Sales Office in Warrington are leased domains, within Landlord operated buildings. The central services of these domains are controlled by the Landlord, this means the business has limited opportunity to improve energy efficiency, although we continue to work with the landlord to improve the control of heating, ventilation, and cooling and on energy efficiency.

The building in Bracknell, the Capitol Building, is BREEAM rated, in accordance with a third-party assessment using scientifically based sustainability metrics and indices which cover a range of environmental issues, including energy and water use, health and wellbeing, pollution, transport, materials, waste, ecology and management processes. The building was assessed to the standard as 'Very Good'.

Directors' report (continued)

Energy and carbon reporting (continued)

Energy efficiency initiatives *(continued)*

In October 2022 we started to invest in upgrades to our domain in the Capitol Building, starting, and completing a full refurbishment of the office space. One of the objectives of the refurbishment was to achieve a BSRIA GOLD SKA rating upon completion of the project in January 2023. Gold is the highest benchmark of the SKA standard, which is designed to assess the sustainability of refurbishments projects. Whilst we anticipate the full benefits of this work next year, we did achieve 100% LED coverage in the office, which was completed in January 2023. Beyond BSRIA SKA, the company has approved investment in a new UPS system that has intelligent control. The controller assesses the energy demand of the server's 'backup' requirements and adjusts the charging requirement of the UPS accordingly, demonstrating our commitment to reducing the energy consumption of the operation of the Bracknell office.

In late 2022, the organisation started the process of relocation of our office in Basingstoke from our office Redwood to a new building that meets the expectation of the organisation's carbon/environmental commitment. Our new building Maplewood is BREEAM rated 'Very Good' and much like our office in Bracknell, we made the same commitment to refurbishing the new offices to BSRIA SKA rated refurbishment before we move in, again aiming to achieve GOLD SKA rating. Gold rating was achieved in January 2023.

During the process of exiting of both Redwood and the refurbishment of the domain in Bracknell, we have considered the environmental impact of our old equipment. We worked with Waste to Wonder a charitable foundation, who have managed the refurbishment and redistribution of our equipment IT and office equipment and in doing so supported over 500,000 Children in 27 countries. As well as thousands of children here in the UK.

At our warehouse in Magna Park, we continue to review our energy management practice and procedure, ensuring the HVAC system is operated efficiently and we continue to conduct regular energy awareness activities. An infrastructure assessment identified that that the roof required reparations, during these assessments it was identified that the roof was covered in a black material. We identified that this would act to increase solar gain, and as such made the decision to invest in white thermoplastic used versus the traditional black rubber-based material. This has led to a reduction in the operation of the extract fans, which are on thermostatic control, and as such without the solar gains these no longer operate as much. In the period covered by this reporting, we completed our LED lighting programme, achieving 100% LED coverage, with zoned and, auto dim and motion sensor control.

We view the control of energy use as an important first step to our achievement if decarbonisation of our operations. We actively are seeking ways to decarbonise energy and to this effect in early 2023, we commissioned a decarbonisation feasibility study, the aim of understanding the implications, cost and timescales relating to the removal of the fossil fuel fired heating systems, and the replacement of the system with a renewable source of energy, a significant challenge in a warehouse environment.

To further support our decarbonisation journey, in 2022, the business started the transition from fossil fuel generated electricity through investment in green energy, procurement an electricity tariff from a renewable source. Our Warrington office was already supplied from a renewable source of electricity and at Magna park we transited to green energy in November 2022. A strategic consideration of the move to the office in Basingstoke, Maplewood was the environmental credentials of the building, we actively sought a building with good environmental standards. The Maplewood building, like Bracknell, has both Solar PV and is supplied by a green tariff.

A further strategic consideration for building selection was the presence of EV charging infrastructure. The presence of charging stations means that we have made provision for our staff to benefit from switching away from fossil fuel vehicles to electric vehicles reducing air pollution that countries to climate change. We will continue to work on our landlord sites to petition for more provision. At Magna Park we are working to provide EV charging infrastructure and have submitted planning permission for installation of EV charging stations.

Directors' report (continued)

Disclosure of information to the auditors

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

Auditors

On 28 February 2023, the company appointed KPMG LLP as auditor.

KPMG LLP is deemed to be reappointed under Section 487(2) of the Companies Act 2006 and will therefore continue in office.

This report was approved by the Board and signed on its behalf by:

DocuSigned by:

Steve Philp

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S Philp
Director
Date: Dec 5, 2023

Statement of Directors' Responsibilities in respect of the Strategic report, the directors' report and the financial statements

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

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

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

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

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

On behalf of the Board

DocuSigned by:
Steve Philp
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S Philp
Director

Date: Dec 5, 2023

Independent Auditor's Report to the Members of TD SYNNEX UK Limited

We have audited the financial statements of TD SYNNEX UK Limited ("the Company") for the period ended 30 November 2022 which comprise the Income statement, the Statement of financial position, the Statement of changes in equity and the 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 November 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and sales staff
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition arising in the cut off period from the Company's focus on revenue growth, in addition to the appropriate recognition of software related revenue streams on a gross or net basis.

We did not identify any additional fraud risks

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted revenue accounts with unusual or unexpected accounts being part of the entry, as well as journal entries containing specific words in the description and journal entries posted by senior management or directors of the Company. We performed testing over the revenue in the cut off period with regard to the applicable shipping terms to ensure revenue was recognized in the appropriate period, as well as procedures to assess whether recognition on a gross or net basis was appropriate.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and others management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

Our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with legal and regulatory requirements. We have also obtained copies of the Company's code of conduct and whistleblowing policy as part of our procedures

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of files or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

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.

Independent Auditor's Report to the Members of TD SYNNEX UK Limited *(Continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 13, 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.

R Fitzpatrick

Robert Fitzpatrick
(Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
2 Forbury Place
33 Forbury Road
Reading, Berkshire
RG1 3AD

Date: 5 December 2023

Income statement

For the period ended 30 November 2022

	Notes	1 February 2022 to 30 November 2022	Restated Year ended 31 January 2022
		£000	*£000*
Turnover	4	**1,540,837**	1,796,712
Cost of sales		**(1,412,284)**	(1,645,917)
Gross profit		**128,553**	150,795
Administrative expenses		**(94,008)**	(104,681)
Distribution costs		**(8,091)**	(9,668)
Operating profit	5	**26,454**	36,446
Interest receivable and similar income	8	**435**	20
Interest payable and similar charges	9	**(1,389)**	(1,468)
Other non-operating income	10	**-**	4,202
Profit on ordinary activities before taxation		**25,500**	39,200
Tax	11	**(719)**	(4,516)
Profit for the financial year		**24,781**	34,684

Refer to Note 27 for the details of the restatement.

All amounts relate to continuing activities.

Statement of comprehensive income

for the period ended 30 November 2022

There is no other comprehensive income other than the profit attributable to the shareholders of the Company of £24.8m for the period ended 30 November 2022 (restated year ended 31 January 2022 – £34.7m).

The Notes on pages 21 to 44 form an integral part of these financial statements.

Registered No. 01691472

Statement of financial position

As at 30 November 2022

	Notes	30 November 2022 £000	Restated 31 January 2022 £000
Fixed Assets			
Intangible assets	12	**181,100**	183,837
Property, plant and equipment	13	**7,174**	3,899
Right-of-use assets	14	**25,798**	22,407
		214,072	210,143
Current Assets			
Stock	15	**196,362**	167,454
Debtors	16	**676,101**	488,393
Cash at bank and in hand		**107**	474
		872,570	656,321
Creditors: amount falling due within one year	17	**(711,008)**	(521,295)
Net current assets		**161,562**	135,026
Total assets less current liabilities		**375,634**	345,169
Provisions for liabilities	18	**(1,937)**	(2,152)
Lease liabilities	14	**(28,216)**	(22,994)
Other liabilities	19	**(9,281)**	(8,321)
Total net assets		**336,200**	311,702
Capital & Reserves			
Called up share capital	20	**12,000**	12,000
Share premium		**15,600**	15,600
Capital contribution reserve	21	**141,955**	141,955
Retained earnings		**166,645**	142,147
Total equity		**336,200**	311,702

Refer to Note 27 for the details of the restatement.

The Notes on pages 21 to 44 are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on Dec 5, 2023 and were signed on its behalf by:

DocuSigned by:
Steve Philp
4B770D528853448...

S Philp
Director

Statement of changes in equity *(Restated, refer to Note 27)*

For the period ended 30 November 2022

	Note	Share capital		Share premium	Capital contribution reserve	Retained earnings (restated)	Total shareholders' funds (restated)
		Ordinary	**Non-qualified preference***				
		£000	**£000**	**£000**	**£000**	**£000**	**£000**
Balance as at 1 February 2021	20, 21	12,000	-	-	141,955	163,476	317,431
Correction to amortisation	27	-	-	-	-	(10,866)	(10,866)
Balance as at 1 February 2022 as restated		12,000	-	-	141,955	152,610	306,565
Ordinary shares issued	20	-	-	15,600	-	-	15,600
Profit for the year as restated**		-	-	-	-	34,684	34,684
Dividends paid		-	-	-	-	(45,430)	(45,430)
Preference Share Issue	20	-	-	-	-	-	-
Share based payments	22	-	-	-	-	283	283
Balance as at 31 January 2022		12,000	-	15,600	141,955	142,147	311,702
Profit for the year		-	-	-	-	24,781	24,781
Share based payments	22	-	-	-	-	(283)	(283)
Balance as at 30 November 2022		12,000	-	15,600	141,955	166,645	336,200

**The company issued 400 non-qualified preference shares in September 2021 of £1 per share. As at 31 Jan 2022, total share capital - NQPS is £400. Refer to Note 20..*
***Profit for the year as restated consists of profit for the year as previously stated of £38,306,000, less effect of prior period adjustment in relation to amortisation of £3,622,000.*

Refer to Note 27 for the details of the restatement.

Notes to the financial statements

For the period ended 30 November 2022

1. General information

TD SYNNEX UK Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom, with its registered office at the same address as the principal place of business, in Maplewood, Crockford Lane, Chineham Park, Basingstoke, Hampshire, RG24 8YB.

2. Accounting Policies

Basis of preparation

On 1 September 2021 Tech Data Corporation and SYNNEX Corporation merged and became TD SYNNEX Corporation, the ultimate parent undertaking of the company. To align the company's reporting period with that of the group, the company changed the end of its annual reporting period from 31 January to 30 November. Therefore, amounts presented for the current period are for a 10-month period. Comparative amounts for the income statement, statement of comprehensive income, statement of changes in equity and related notes are not entirely comparable.

The financial statements of TD SYNNEX UK Limited for the period ended 30 November 2022 were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006.

The Company's financial statements have been prepared on the going concern basis of accounting as described in the Directors' report.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The financial statements of the Company were approved for issue by the Board of Directors on the date shown on the Statement of financial position.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- The preparation of a cash flow statement and related notes.
- The requirement to make disclosures of the schemes and details about options exercised in the year and options outstanding at the year end. As a subsidiary this exemption only applies to the arrangements involving equity instruments of the Company's parent and ultimate parent.
- Listing new or revised standards that have not been adopted, and information of their likely impact.
- The requirement to disclose comparative tables for tangible and intangible fixed assets.
- Paragraph 134 and 135 of IAS 36 which requires extensive disclosures for each cash generating unit which contains goodwill or an intangible asset with an indefinite life.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.
- The disclosure requirements of IFRS 7 financial instruments.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases.
- The requirement to disclose transactions with other wholly-owned group undertakings on the grounds that at 30 November 2022 was a wholly-owned subsidiary undertaking of TD SYNNEX Corporation, the group financial statements of which are publicly available (Note 25).
- The requirements of paragraphs 45 (b) and 46 – 52 of IFRS 2 share based payments.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting Policies (continued)

- The requirements of IAS 1.10(f) to present a statement of financial position as at the beginning of the preceding period in the circumstances above, which would have included comparative information. The requirements of IAS 1 paragraph 16, paragraphs 38A-D and paragraph 111.

Where required, equivalent disclosures are given in the group financial statements of TD SYNNEX Corporation. The group financial statements of TD SYNNEX Corporation are available to the public and can be obtained as set out in Note 25.

Going concern

At the reporting date, the Company had net current assets of £161.6m. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The principal activity of the company is to trade in IT, communications and consumer electronics products and services to the computer and mobile communications industry, operating through a number of product divisions addressing different sectors of the market. The Company is the primary trading entity of the TD SYNNEX Group in UK and therefore it is key for the Group to maintain its presence to deliver leading innovative solutions to its customers in the UK market. The company's cash flows are therefore dependent on the continuation, volume, and pricing of those operations.

The Directors have been monitoring the markets assessing any risks as they arise that could impact the company. Currently the United Kingdom has returned to relative stability and the Company continues to manage foreign exchange risks by hedging with forward contracts.

The company meets its day to day working capital requirements from operational cash flows, intercompany loan and trading balances with the group headed TD SYNNEX Corporation, ultimate parent company.

The Company does not maintain local cash balances and has entered into treasury management and current account agreements with TD SYNNEX UK Acquisition Limited, an in-house bank entity ("IHB"). The said IHB entity also brings together cash from the EMEA and Asia Pacific regions in the group as the central in-house bank for the EMEA and Asia Pacific cash pooling. The company has an unconditional right to access and draw down from the IHB throughout the going concern period. The company does not require approval and there are no restrictions before drawing down from the IHB. The company's balance on the IHB was reported as a receivable amounting to £170.5m at 31 October 2023 and £136.0m reported as a net receivable as on 30 November 2022. The increase in IHB balance reflects the activity of vendor settlements, cash collections and FX hedging that occurred at each period end.

The directors have performed a going concern assessment which indicates that the company will have sufficient funds to meet its liabilities as they fall due during 12-month period ending 30 November 2024, the going concern assessment period. This assessment has modelled the expected cash days for the going concern period showing positive cash days every quarter due to how the company manages its working capital arrangements with customers and vendors. We continue to support our customers with credit with the team mitigating the risk of bad debt by closely monitoring the market and customers financial positions. This is further mitigated by our comprehensive EMEA credit insurance provided by a market leading insurer.

TD SYNNEX Corporation has indicated its intention to continue to make available such funds as are needed by the company and that it does not intend to seek repayment of the amounts currently due to the group, which at 30 November 2022 amounted to £72.2m, during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies (continued)

True and fair override – Non-amortisation of goodwill

Section 393 of the Companies Act 2006 requires that the Directors of a Company must not approve accounts unless they are satisfied they give a true and fair view. A true and fair view will usually be achieved by compliance with accounting standards and by additional disclosure to fully explain an issue. In respect of goodwill there is a conflict between paragraph 22 of Schedule 1 to the Regulations under the UK Companies Act, which requires goodwill to be amortised on a systematic basis over the useful economic life determined by the Directors and FRS101 / IFRS 3 Business Combinations, which requires that goodwill is not amortised but reviewed for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act and to comply with the requirements of FRS101. It is not practicable to disclose the impact of this in the financial statements.

Goodwill

The goodwill in the balance sheet has arisen from the hive up of the trade and assets from entities under common control. In such instances the company applies the book value method and has chosen to utilise the book values of the ultimate parent, including any attributable goodwill recognised by the parent. Determining whether the company's goodwill has been impaired requires estimations of the company's values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise and suitable discount rates in order to calculate present values. The carrying amount of goodwill at the balance sheet date was £158.5 million (2022: £158.5 million) with an impairment loss of £Nil recognised in 2022 (2021: £Nil). Sensitivities and key assumptions used in the impairment review are described in note 12.

Intangible assets

The intangible assets in the balance sheet have arisen from the hive up of the trade and assets from entities under common control. In such instances the company applies the book value method and has chosen to utilise the book values of the ultimate parent, including any attributable intangible assets separately recognised by the parent. Separately acquired intangibles are capitalised at cost. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstance indicate that the carrying value may not be recoverable.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit and loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The assessment of impairment is performed by comparing the recoverable amount with the value in use. The value in use, through a review of the cash generating abilities of the intangibles is assessed using the discounted cash flows model projecting 5 years of sales and the terminal growth factor.

Amortisation is provided by the Company to write off the cost of intangible assets by equal instalments over their estimated useful economic lives as follows:

Trademarks	–	5 to 20 years; 10 years remaining
Software	–	3 to 5 years
Customer list	–	5 to 13 years

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided by the Company to write off the cost, less estimated residual value of property, plant and equipment by equal instalments over their estimated useful economic lives as follows:

Computer and office equipment	–	3 years
Furniture, fixtures and fittings	–	10 years
Motor vehicles	–	4 years
Plant and machinery	–	8 years

The carrying values of tangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment considered necessary by the Directors.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses on continuing operations are recognised in the Income statement in those expense categories consistent with the function of the impaired asset. For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the Income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Foreign currencies

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 Statement of financial position date and the gains or losses on translation are included in the Income statement.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The company recognises revenue when performance obligations have been satisfied and for the company this is when the goods or services have transferred to the customer and the customer has control of these. Turnover in the Income Statement is net of customer returns. The Company records customers returns once acceptance is provided and on receipt of return. The Company generates revenue primarily from the sale of various IT products.

Sale of product

The Company recognizes revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point in time when the product is shipped or delivered. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Products sold by the Company are delivered via shipment from the Company's facilities, drop-shipment directly from the vendor, or by electronic delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when the Company can objectively verify the products comply with specifications underlying acceptance and the customer has control of the products.

The Company generally invoices a customer upon shipment, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component.

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the products or services to be provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, software licences, post-contract software support services and extended warranty contracts. Software sales are recorded on a 'net' basis..

The Company considers shipping and handling activities as costs to fulfil the sale of products. Shipping revenue is included in revenue when control of the product is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

Interest income

Revenue from interest income is recognised as interest accrues using the effective interest method.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies *(continued)*

Deferred taxation
Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the Statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exception: Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Statement of financial position date.

Derivative instruments
The Company uses forward foreign exchange contracts to reduce exposure to foreign exchange rates. Such derivative financial instruments are initially recognised at fair value at the date on which the derivative contract is entered into and are subsequently remeasured at fair value at each Statement of financial position date. The Company does not apply hedge accounting.

Financial instruments

A. Financial assets
The Company's financial assets include cash and cash equivalents, trade and other receivables, and intercompany loans and receivables. All financial assets are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provision of the instrument. The Company's assets are held within a business model where the objective is to collect the contractual cash flows and the contractual terms include a specified date of cash flow which are solely payments of the principal and interest. Therefore, the Company's assets are held at amortised cost.

Trade receivables
Trade receivables are recognised and carried at original invoice amount less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows and is recognised in profit and loss in administrative expenses. The Company has recognised the impairment of its trade receivables financial assets in the amount of expected credit losses. Through an analysis of the lifetime expected credit losses the Company has analysed its receivables by industry and in particular its retail sector. Due to Company's collection policy and market leading coverage supplied by its insurance policy the projected analysis of our credit risk does not indicate a need to adjust provisions at period end. This is further proven by the lack of post period credit losses.

Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and deposits held at call with banks.

Intercompany receivables
Intercompany receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Intercompany receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The Intercompany balances have not been reviewed as a part of IFRS 9 changes as all trade payables and receivables are settled weekly via the European cash pooling system and therefore the Company has no risk against these balances.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies *(continued)*

Financial instruments (continued)

B. Financial liabilities and Equity instruments

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Company's financial liabilities comprise trade and other payables. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Obligations for loans are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of the consideration received less directly attributable costs. After initial recognition these interest bearing loans are subsequently measured at amortised cost using the effective interest method.

Trade payables

Trade payables are non-interest bearing and are stated at amortised cost.

Intercompany payables

Intercompany payables are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. These are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Leases

The company has lease contracts for various buildings and vehicles used in the operations.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the company under residual value guarantees;
- The exercise price of a purchase option if the company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies (continued)

Leases (continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Provision for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

The dilapidation provision consists of costs that the Company will incur to bring the properties occupied by TD SYNNEX UK Limited to their original state. Upon completion of each lease the Company will be required to return the buildings into a reasonable state.

Pension

The Company makes contributions into a group defined contribution pension arrangement. Contributions made by the employee are matched by the Company, subject to limits. Contributions are recognised in the profit and loss account in the period in which they become payable.

Share-based payments

Equity settled transactions – shares in TD SYNNEX Corporation

The cost of equity settled transactions with employees is measured by reference to the fair value of the stock options, restricted stock units, performance restricted stock units and restricted stock awards at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an appropriate pricing model. In valuing equity settled transactions, no account is taken of any vesting conditions, other than market conditions linked to the price of the shares of TD SYNNEX Corporation.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether the market condition is satisfied, provided that all other performance conditions are satisfied.

Share-based payments that vest in instalments are treated as separate awards.

At each Statement of Financial Position date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired. The movement in cumulative expense since the previous Statement of Financial Position date is recognised in the profit and loss account, with a corresponding entry in liabilities.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the income statement for the award is expensed immediately.

Notes to the financial statements (continued)

For the period ended 30 November 2022

2. Accounting policies (continued)

Dividend income and distribution
Dividend income is recognised when the right to receive payment is established. Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

3. Significant accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company has not made any significant judgements when applying the accounting policies.

Estimates and assumptions
Leases
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group/Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Impairment
Goodwill is tested for impairment annually by preparing a discounted cash flow forecast to determine if any impairment is required against the carrying value. The discount rate reflect management's estimate of risk specific to the CGU. Impairment charges, if any, are recognised in the Income statement.

Inventory
The company calculates a general inventory obsolescence reserve for inventory that is not eligible for stock rotation. This calculated balance sheet reserve is based on applying depreciation rates to the aging of your inventory components.

Bad Debt Provision
The company calculates a net change in reserve for bad debts. This amount is calculated based on the amount and aging of gross accounts receivable excluding recoverable VAT at the balance sheet date. 0.15% provision is applied to all receivables with a significant increase of provision applied to debts over 90 days and 180 days.

There are no other significant accounting estimates or judgements.

4. Turnover

Turnover, which is stated net of value added tax, represents the amounts derived from the provision of goods and services to third party customers.

Turnover is attributable to a single activity, the distribution of hardware, software and associated products to trade resellers in the information and communications sector and is derived entirely from within the United Kingdom and Republic of Ireland.

Notes to the financial statements (continued)

For the period ended 30 November 2022

5. Operating profit

This is stated after charging/(crediting)

	1 February 2022 to 30 November 2022	*Restated Year ended 31 January 2022*
	£000	*£000*
Auditors' remuneration	**497**	886
Depreciation – fixed assets	**1,239**	1,270
Depreciation – right-of-use assets	**3,369**	4,245
Amortisation of intangible fixed assets*	**2,794**	3,947
Foreign exchange loss/ (gain)	**132**	(713)

*Refer to Note 27 for the details of the restatement.

6. Directors' remuneration

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	£000	*£000*
Aggregate remuneration in respect of qualifying services	**1,982**	2,456
Aggregate remuneration in respect of loss of office	**-**	439
Company contributions to money purchase pension schemes	**18**	22

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid Director was £692,489 (year ended 31 January 2022 – £876,712), and Company pension contributions of £nil (year ended 31 January 2022 – £nil) were made to a money purchase scheme on his behalf.

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	No.	*No.*
Retirement benefits are accruing to the following number of directors under:		
Money purchase pension schemes – group personal pension	**2**	3
Number of directors who received shares in respect of qualifying services	**3**	3

Notes to the financial statements (continued)

For the period ended 30 November 2022

7. Staff costs

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	£000	*£000*
Wages and salaries	**39,139**	45,386
Social security costs	**4,832**	5,179
Other pension costs	**1,471**	1,745
	45,442	52,310

Wages and salaries are inclusive of share based payments related to directors' payments of £167,838 (year ended 31 January 2022 – £208,677) arising from transactions accounted for as equity settled share-based payment transactions. The average monthly number of employees (including directors) during the year was made up as follows:

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	No.	*No.*
Office and management	**246**	242
Sales, marketing & distribution staff	**873**	859
	1,119	1,101

The total number of employees as at 30 November 2022 is 1,139 (31 January 2022: 1,119).

8. Interest receivable and similar income

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	£000	*£000*
On loans to group companies	**435**	20

9. Interest payable and similar charges

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	£000	*£000*
On leases	**1,081**	1,289
On loans from group companies	**308**	179
	1,389	1,468

Notes to the financial statements (continued)

For the period ended 30 November 2022

10. Other non-operating income

The Company had a number of intercompany balances acquired as part of the integration of Tech Data AS UK Limited and Tech Data Services UK Limited. The directors considered that the amounts were no longer legally enforceable and hence these amounts were released in financial year ended 31 Jan 2022. This has resulted in a net increase in income of £4.2m for the year ended 31 January 2022.

11. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	1 February 2022 to 30 November 2022	*Year ended 31 January 2022*
	£000	*£000*
Current income tax:		
UK corporation tax	**5,269**	5,138
Tax adjustment relating to previous years	**(4,769)**	(508)
Total current income tax	**500**	4,630
Deferred tax:		
Origination and reversal of temporary differences	**219**	(114)
Tax expense in the Income statement (note 11 (b))	**719**	4,516

(b) Reconciliation of the total tax charge

The tax expense in the Income statement for the year is lower than (year ended 31 January 2022 is lower than) the standard rate of corporation tax in the UK of 19.0% (31 January 2022: 19.0%). The differences are reconciled below:

	1 February 2022 to 30 November 2022	*Restated Year ended 31 January 2022*
	£000	*£000*
Profit from ordinary activities before tax	**25,500**	39,200
Tax calculated at UK standard rate of corporation tax of 19% (year ended 31 January 2022: 19.0%)	**4,845**	7,448
Entertaining, non-qualifying depreciation and other disallowances	**58**	141
Group relief received for nil consideration	**-**	(1,959)
Non deductible intangible amortisation	490	688
Non taxable income	**-**	(1,020)
Rates differences	**50**	(274)
Tax adjustment relating to previous years	**(4,724)**	(508)
Total tax charge in the income statement	**719**	4,516

Refer to Note 27 for the details of the restatement.

Notes to the financial statements (continued)

For the period ended 30 November 2022

11. Taxation (continued)

(c) Deferred tax

The deferred tax included in the balance sheet is as follows:

	30 November 2022 £000	*31 January 2022 £000*
Accelerated capital allowances	**652**	911
Other timing differences	**271**	232
Total deferred tax included in the balance sheet (note 17)	**923**	1,143

(d) Provision for deferred tax

The deferred tax in the income statement is as follows:

	1 February 2022 to 30 November 2022 £000	*Year ended 31 January 2022 £000*
Accelerated capital allowances	**221**	(8)
Movement on general provisions	**(47)**	(106)
Tax adjustment relating to previous years	**45**	-
Total deferred tax in the income statement (note 11 (a))	**219**	(114)

(e) Factors that may affect future tax charges

Changes to UK corporation tax rates were substantively enacted by the Finance Bill 2021 (on 24 May 2021). These included an increase in the corporation tax rate from 19% to 25% with effect from 1 April 2023. Deferred tax balances have been remeasured accordingly where appropriate.

Notes to the financial statements (continued)

For the period ended 30 November 2022

12. Intangible assets *(Restated, see Note 27)*

Goodwill has arisen on the acquisition of the trade and assets of Tech Data AS UK Limited and Tech Data Services UK Limited, Specialist Distribution Group (SDG) Limited, ISI Distribution Limited, Maverick Presentation Products Limited, Cadco Limited Customer list and Man and Machine Software SE in prior years.

	Goodwill	*Trademarks Restated*	*Software*	*Customer list Restated*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*
Cost:					
As at 1 February 2022	171,841	4,097	2,567	42,195	220,700
Additions	-	-	57	-	57
Disposals	-	-	(130)	-	(130)
At 30 November 2022	171,841	4,097	2,494	42,195	220,627
Amortisation:					
As at 1 February 2022 as originally stated	10,852	1,140	2,302	5,544	19,838
Correction to accumulated amortisation*	-	2,356	-	12,132	14,488
As at 1 February 2022 as restated*	10,852	3,496	2,302	17,676	34,326
Charge for the year	-	101	166	2,527	2,794
Disposals	-	-	(130)	-	(130)
At 30 November 2022	10,852	3,597	2,338	20,203	36,990

**Details of the restatement is disclosed in Note 27.*

Impairment:					
As at 1 February 2022	2,537	-	-	-	2,537
Impairment for the year	-	-	-	-	-
At 30 November 2022	2,537	-	-	-	2,537
Net book value:					
At 1 February 2022 as restated	158,452	601	265	24,519	183,837
At 30 November 2022	**158,452**	**500**	**156**	**21,992**	**181,100**

As required, the directors have performed a review of the value of the company's goodwill at the year end. The directors and their management team review the company's performance and can distinguish between different types of revenue streams. However the company structure does not allow identification of specific assets or groupings of assets that generate a specific revenue stream. On this basis the directors have performed the impairment review on the basis that the company as a whole is the smallest identifiable cash generating unit.

The recoverable amount of the cash generating unit has been determined based on a value-in-use calculation. The value in use calculations are performed at least annually and require the Directors to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. This calculation used post-tax cash flow projections based on financial budgets approved by management covering the next financial year and estimates for the following 5 financial years after the reporting date, and a terminal growth rate has been applied.

Management have assumed that the technology sector and the company will continue to grow its operating profit greater than the Bank of England inflation target of 2%. This can be demonstrated through a review of the historical financial statements and desire of businesses to invest in the latest technologies.

Notes to the financial statements (continued)

For the period ended 30 November 2022

12. Intangible assets (continued)

Management are confident that the long term growth rate can be achieved as the company and the technology sector has historically outperformed the UK economy. Management recognises there is currently a downturn in the UK market, after the COVID technology boom, but are confident in the long-term growth of technology sector. Management continues to pursue a robust policy on managing costs to support the expectations around operating profits.

The discount rate reflect management's estimate of risk specific to the CGU.

Whilst considering whether the value of goodwill is impaired or not, the directors have used a calculated post-tax adjusted weighted average cost of capital of 13.5% and a terminal growth rate of 3%.

Using these assumptions, the directors have concluded that there is sufficient headroom and no impairment charge has been recognised in the financial statements.

The sensitivity of goodwill carrying values to reasonably possible changes in key assumptions has been performed below. Headroom shown below in £m's.

WACC	Growth Rate				
	2%	2.5%	3%	3.5%	4%
12.5%	39.5	49.0	59.5	71.2	84.3
13.0%	25.4	33.8	43.2	53.5	64.9
13.5%	12.5	20.1	28.4	37.5	47.5
14.0%	0.7	7.5	14.9	23.0	31.9
14.5%	(10.1)	(4.0)	2.6	9.8	17.8

The above table shows that there is reasonable headroom on the impairment test of £28.4m. Management acknowledge the challenges within the market which could impact this impairment test. However the company remains profitable and cash generative even within a down market and market analysis predicts recovery and robust long term growth within the technology sector.

Notes to the financial statements (continued)

For the period ended 30 November 2022

13. Property, plant and equipment

	Motor Vehicles	*Computer, plant and machinery, and office equipment*	*Furniture, fixtures and fittings*	*Total*
	£000	*£000*	*£000*	*£000*
Cost:				
As at 1 February 2022	1	19,667	3,900	23,568
Additions	-	3,605	961	4,566
Disposals	-	(1,938)	(204)	(2,142)
At 30 November 2022	1	21,334	4,657	25,992
Depreciation:				
As at 1 February 2022	1	17,980	1,688	19,669
Charge for the year	-	1,078	161	1,239
Disposals	-	(1,886)	(204)	(2,090)
At 30 November 2022	1	17,172	1,645	18,818
Net book value:				
At 1 February 2022	-	1,687	2,212	3,899
At 30 November 2022	-	**4,162**	**3,012**	**7,174**

14. Leases

The company has lease contracts for buildings and vehicles used in its operations. The amounts recognised in the financial statements in relation to the leases are as follows:

(i) Amounts recognised in the Statement of financial position

Right-of-use assets

	Buildings	**Vehicles**	**Total**
Cost:			
At 1 February 2022	30,374	879	31,253
Additions	7,608	-	7,608
Disposals	(1,625)	(11)	(1,636)
At 30 November 2022	36,357	868	37,225
Depreciation:			
At 1 February 2022	8,344	502	8,846
Charge for the year	3,229	140	3,369
Disposals	(780)	(8)	(788)
At 30 November 2022	10,793	634	11,427
Net book value:			
At 1 February 2022	22,030	377	22,407
At 30 November 2022	**25,564**	**234**	**25,798**

Notes to the financial statements (continued)

For the period ended 30 November 2022

14. Leases (continued)

	30 November 2022 £000	*31 January 2022 £000*
Lease liabilities		
Current	**2,525**	3,941
Non-current	**28,216**	22,994
	30,741	26,935

(ii) Amounts recognised in the Income statement

	1 February 2022 to 30 November 2022 £000	*Year ended 31 January 2022 £000*
Depreciation charge of right-of-use assets		
Buildings	**3,229**	4,049
Vehicles	**140**	196
	3,369	4,245
Interest expense (included in Interest payable and similar charges)	**1,081**	1,289
Income from sub-leasing	**(371)**	(446)

Future minimum lease payments as at 30 November 2022

	30 November 2022 **£000**	*31 January 2022* £000
Within one year	**4,055**	5,136
In two to five years	**16,531**	13,843
Over five years	**17,972**	13,783
Total gross payments	**38,558**	32,762
Impact of interest expense	**(7,817)**	(5,827)
Carrying amount of liability	**30,741**	26,935

Notes to the financial statements

For the period ended 30 November 2022

15. Stock

	30 November 2022 £000	*31 January 2022 £000*
Finished goods	**196,362**	167,454

During the period the write-down of stocks to net realisable value amounted to £250,072 (year ended 31 January 2022: £777,479).

16. Debtors

	30 November 2022 £000	*Restated 31 January 2022 £000*
Trade debtors	**440,472**	420,134
Amounts owed by group undertakings	**160,582**	9,228
Other debtors	**53,040**	38,398
Derivatives	**1,153**	895
Prepayments and accrued income	**17,871**	17,010
Corporation tax recoverable	**2,060**	1,585
Deferred tax asset	**923**	1,143
	676,101	488,393

Amounts owed by group undertakings are all with related parties and subsidiaries or fellow subsidiaries. At 30 November 2022 amounts owed by the Parent is £nil and amounts owed by fellow subsidiaries are £160.6m (31 January 2022 amounts owed by the Parent is £nil and amounts owed by fellow subsidiaries are £9.2m).

The amounts due from group undertakings in respect of in-house bank accounts of £137.5m (31 January 2022: £26.2m) are repayable at 45 days notice and trading balances with fellow subsidiaries are repayable of net 30 days terms. Interest in respect of the in-house bank accounts is at fallback rates for ICE LIBOR.

Accrued income includes an asset associated with a long term enterprise project with a customer and vendor. The deal spans a five-year period and has been recognised in full by the Company as it is an agent in the transaction. An amount of £9.5m (£8.5m at 31 January 2022) is due to be invoiced after more than one year. A related liability has also been raised for this same deal as documented in Note 19.

Refer to Note 27 for the details of the restatement.

The maximum exposure to credit risk at the statement of financial position date for trade debtors was:

	30 November 2022 £000	*31 January 2022 £000*
Trade debtors	**442,083**	421,501

Notes to the financial statements (continued)

For the period ended 30 November 2022

16. Debtors (continued)

The concentration of credit risk for trade debtors at the statement of financial position date by geographic region was:

	30 November 2022 £000	*31 January 2022 £000*
Europe	**442,083**	421,501

A summary of the company's exposure to credit risk for trade receivables by credit risk ageing as at 30 November 2022 and as at 31 January 2022 are as follows:

	Credit impaired £000	***Not credit impaired £000***
Below 90 days	**439,976**	-
Above 90 days	**2,107**	-
Total gross carrying amount at 30 November 2022	**442,083**	-

	Credit impaired £000	*Not credit impaired £000*
Below 90 days	419,481	-
Above 90 days	2,020	-
Total gross carrying amount at 31 January 2022	421,501	-

The company starts providing for expected credit losses from day one, hence trade receivables that are not credit impaired is £Nil.

The movement in the allowance for impairment in respect of trade receivables during the period/year was as follows:

	30 November 2022 £000	*31 January 2022 £000*
Balance at beginning of period/year	**(1,367)**	(1,738)
Impairment loss recognised	**(691)**	(669)
Impairment loss reversed	**396**	1,019
Amounts written off	**51**	21
Balance at end of period/year	**(1,611)**	(1,367)

Notes to the financial statements (continued)

For the period ended 30 November 2022

17. Creditors: amounts falling due within one year

	30 November 2022 £000	*31 January 2022 £000*
Trade creditors	**535,351**	443,268
Amounts owed to group undertakings	**72,216**	7,275
Other creditors including tax and social security	**59,236**	22,772
Derivatives	**2,063**	493
Accruals	**39,617**	43,546
Lease liabilities - current	**2,525**	3,941
Income tax payable	**-**	-
	711,008	521,295

Amounts owed to group undertakings are all with related parties and subsidiaries or fellow subsidiaries. At 30 November 2022 amounts owed to the Parent is £0.3m and amounts owed to fellow subsidiaries are £71.9m (at 31 January 2022 amount owed to the Parent is £0.3m and amounts owed to fellow subsidiaries are £7.0m). The amounts that are in respect of in-house bank accounts of £1.5m (31 January 2022: £0.5m) are repayable at 45 days notice. Interest payable on the in-house bank accounts is at fallback rates for ICE LIBOR plus 1%. These amounts are owed to a fellow subsidiary.

18. Provisions for liabilities

	30 November 2022 £000	*31 January 2022 £000*
Provisions	**1,937**	**2,152**

Dilapidation costs	*30 November 2022 £000*	*31 January 2022 £000*
Provision at 1 February 2022	2,152	2,031
Utilised during the year	(215)	-
Arising during the year	-	121
Provision at 30 November 2022	**1,937**	**2,152**

The dilapidation provision consists of costs that the Company will incur to bring the properties occupied by TD SYNNEX UK Limited to their original state. Upon completion of each lease the Company will be required to return the buildings into a reasonable state.

19. Other liabilities

Other liabilities are amounts due after 12 months from the balance sheet date in relation a long term enterprise project with a customer and vendor. Amounts due in less than 12 months are included within Other creditors including tax and social security in Note 17. The deal spans a five-year period and has been recognised in full by the Company as it is an agent in the transaction.

Notes to the financial statements (continued)

For the period ended 30 November 2022

20. Issued share capital

	No.	30 November 2022 £000	No.	31 January 2022 £000
Authorised				
Ordinary 'A' shares of £1 each	**12,000,002**	**12,000**	12,000,002	12,000
Non-qualified preference shares of £1 each	**400**	**-**	400	-
Allotted, called up and fully paid				
Ordinary 'A' shares of £1 each	**12,000,002**	**12,000**	12,000,002	12,000
Non-qualified preference shares of £1 each	**400**	**-**	400	-

In September 2021, the Company recapitalized its capital structure into common and non-qualified preference shares ("NQPS") by way of bonus issuing 400 NQPS of £1 per share out of its existing P&L reserves.

Share premium

In September 2021, 2 ordinary shares of £1 per share were issued to AEF at a premium in consideration for the Company being released of it's liability of £15,600,000 owed to AEF.

21. Capital contribution reserve

Intercompany loans payable totalling £39.4m to Tenva TS Holdings Limited established on the integration of Tech Data AS UK Limited and Tech Data Services UK Limited into Tech Data Limited were released during 2021. The Directors of Tech Data Limited have determined this release should be accounted for as a capital contribution.

The Directors have also reviewed the decision to record an intercompany liability of £102.5m as part of the goodwill push down accounting on the acquisition of Tech Data AS UK Limited and Tech Data Services UK Limited. The Directors consider there is no legally enforceable debt and the balance is better reflected in the capital contribution reserve. There had been no movements in the capital contribution reserve during the year.

22. Share based payments

Equity settled transactions

TD SYNNEX Corporation, the ultimate parent undertaking ("UPU"), has in place a share-based payment plan, the "TD SYNNEX Plan", granted in the form of stock options, restricted stock units ("RSUs"), performance restricted stock units and restricted stock awards ("RSAs"). Under the TD SYNNEX Plan qualified employees are eligible for the grant of non-qualified stock options, stock appreciation rights, RSAs and RSUs.

The TD SYNNEX Plan uses the Black-Scholes valuation model to estimate the fair value of stock options. The Black-Scholes option-pricing model was developed for use in estimating the fair value of short-lived exchange traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models require the input of highly subjective assumptions, including the option's expected life and the price volatility of the common stock of TD SYNNEX.

The fair value of stock awards is determined based on the stock price at the date of grant. For grants that do not accrue dividends or divided equivalents, the fair value is the stock price reduced by the present value of estimated dividends over the vesting period. For performance-based RSUs, the grant-date fair value assumes that the targeted performance goals will be achieved. Over the performance period, the number of awards expected to vest will be adjusted higher or lower based on the probability of achievement of performance goals.

The outstanding RSAs and RSUs generally vest rateably on an annual basis over a period of three to five years, with certain awards subject to other vesting periods as defined per the grant agreement. The holders of RSAs are entitled to the same voting, dividend, and other rights as the common shareholders of TD SYNNEX Corporation. Certain RSUs vest subject to the achievement of individual, divisional, or global TD SYNNEX performance goals. Most of the performance based RSUs vest at the end of a three-year requisite service period, subject to the achievement of TD SYNNEX financial performance goals approved by the Compensation Committee.

Notes to the financial statements (continued)

For the period ended 30 November 2022

22. Share based payments *(continued)*

The Company recognises share-based compensation expense for all share-based awards made to employees and directors, including RSAs, RSUs and performance based RSUs, based on estimated fair value. The schemes have a condition of continuous employment throughout the vesting period attached to them. There are no cash settlement alternatives.

The Company accounts for expense reductions that result from forfeiture of unvested awards in the period that the forfeitures occur.

The Company recognises an expense over the requisite service period in the income statement with a corresponding increase in inter-company payables. The expense recognition is based on the TD SYNNEX stock price at the date of grant.

The charge recognised for equity settled share-based payments in respect of employee services received during the period to 30 November 2022 is £167,838 (Year ended: 31 January 2022: nil).

The weighted average share price at the date of exercise of share options exercised during the period/year was $Nil (Year ended 31 January 2022: $Nil). The carrying value of liability at 30 November 2022 is £594,000 (31 January 2022: £nil).

The awards outstanding at the period end have an exercise price in the range of $87.82 to $103,21 and a weighted average contractual life of 2.93 years.

Grant date	**Method of settlement accounting**	**Number of instruments**	**Vesting conditions**	**Contractual life of options**
Awards granted by UPU on 31/03/2022	Equity	10,988	Service based	3 - 5 years
Awards granted by UPU on 31/03/2022	Equity	4,708	Performance based	3 - 5 years
Awards granted by UPU on 06/07/2022	Equity	189	Service based	3 - 5 years
Awards granted by UPU on 06/07/2022	Equity	81	Performance based	3 - 5 years
Awards granted by UPU on 04/10/2022	Equity	21,334	Service based	3 - 5 years

	30-Nov-22		31-Jan-22	
	No. shares	**Weighted average exercise price $**	No. shares	Weighted average exercise price $
Outstanding at the beginning of the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Granted during the year	**37,300**	**$94.31**	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the period/year	**37,300**	**$94.31**	-	-
Exercisable at the end of the year	-	-	-	-

Notes to the financial statements (continued)

For the period ended 30 November 2022

23. Pensions

The pension cost for the period represents contributions payable by the Company into a group personal pension arrangement (defined contribution) and amounted to £1,470,802 (for the year ended 31 January 2022 – £1,745,397). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

24. Derivatives

The Company purchases forward foreign exchange currency contracts to hedge currency exposure on firm future commitments. The fair values of the derivatives held at the Statement of financial position date, determined by reference to their market values, are as follows:

	30 November 2022 £000	*31 January 2022 £000*
Forward foreign currency contracts (assets)	**1,153**	895
Forward foreign currency contracts (liabilities)	**(2,063)**	(493)
Forward foreign currency contracts	**(910)**	402

The Company's foreign currency forward contracts are measured on a recurring basis based on foreign currency spot rates and forward rates quoted by banks or foreign currency dealers (Level 2 criteria) and are marked-to-market each period with gains and losses on these contracts recorded in profit and loss.

The total amount recognised in profit and loss on the Company's foreign currency forward contracts was a net foreign currency exchange loss of £0.3m (31 January 2022 – exchange gain of £0.6m).

The following table demonstrates the sensitivity to a reasonably possible change in the Sterling against the US dollar, Euro and Swiss franc exchange rates with all other variables held constant, of the Company's profit before tax due to foreign exchange translation of monetary assets and liabilities and fair value movements on forward contracts.

30 November 2022	**Change in FX rate**	**Effect on profit £000**
US dollar/ Sterling	(10%)	**(4,426)**
	10%	**3,621**
Euro/ Sterling	(10%)	**720**
	10%	**(1,579)**
Swiss franc/ Sterling	(10%)	**4**
	10%	**(13)**

25. Parent and ultimate parent company

The Company's immediate parent undertaking is Azlan European Finance Limited, incorporated in the United Kingdom.

The Company's ultimate controlling company is TD SYNNEX Corporation, incorporated in the United States of America. Copies of its group financial statements, which include the company, are available from the group's website at www.tdsynnex.com.

Notes to the financial statements (continued)

For the period ended 30 November 2022

26. Post balance sheet events

There have been no significant events after the statement of financial position date.

27. Prior year adjustment

The company recorded intangible assets in respect of customer lists and trademarks due to the TS AVNET acquisition by Tech Data Corporation on 27 February 2017 and the subsequent hive up into the TD SYNNEX UK Limited. These assets were assigned finite useful economic lives of 13 years and 5 years respectively upon integration of the UK arm of Avnet Technology Solutions in the 31 January 2018 financial statements. The prior year adjustment relates to the omission of amortisation subsequent to that date and results in an incremental £12.1m charged in respect of customer lists and £2.4m charged in respect of trademarks, a total of £14.5m, as of 31 January 2022. The impact of that amortisation in the income statement for the year ended 31 January 2022 was £3.6m. There is no tax impact as this is a permanent difference.

Other debtors due after more than one year shown as fixed assets in the prior year has been reclassified to accrued income within debtors in current assets.

Income statement for the year ended 31 January 2022

	Originally stated £000	Amortisation £000	Restated £000
Administrative expense	(101,059)	(3,622)	(104,681)
Operating profit	40,068	(3,622)	36,446
Profit on ordinary activities before tax	**42,822**	**(3,622)**	**39,200**
Profit for financial year	**38,306**	**(3,622)**	**34,684**

Statement of financial position

	Originally stated £000	Amortisation £000	Reclassification	Restated £000
At 31 January 2022				
Intangible assets	198,325	(14,488)	-	183,837
Fixed assets	233,119	(14,488)	(8,488)	210,143
Debtors	479,905	-	8,488	488,393
Current assets	647,833	-	8,488	656,321
Net current assets	126,538	-	8,488	135,026
Total assets less current liabilities	359,657	(14,488)	-	345,169
Net assets	**326,190**	**(14,488)**	**-**	**311,702**
Retained earnings	156,635	(14,488)		142,147
Equity	**326,190**	**(14,488)**		**311,702**
At 1 February 2021				
Intangible assets	198,311	(10,866)	-	187,445
Fixed assets	256,229	(10,866)	(13,276)	232,087
Debtors	574,124	-	13,276	587,400
Current assets	702,495	-	13,276	715,771
Net current assets	102,722	-	13,276	115,998
Total assets less current liabilities	358,951	(10,866)	-	348,085
Net assets	**317,431**	**(10,866)**	**-**	**306,565**
Retained earnings	163,476	(10,866)	-	152,610
Equity	**317,431**	**(10,866)**	**-**	**306,565**