TD SYNNEX UK Limited

Annual Report and Financial Statements

For the year ended 30 November 2023

Registered Number: 01691472

Contents

Company Information

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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.

This financial year brought a challenging trading environment for the IT sector as businesses and consumers reduced their spending on IT products due to macro-economic pressures and following elevated buying during the pandemic. Despite these market challenges, the company has delivered a robust performance by providing innovative, market leading technology solutions to its customers.

The decreases in performance are primarily driven by a decline in the Company's Endpoint Solutions business unit as the industry experiences a post-pandemic decline in demand for personal computing ecosystem products. This was partially offset by growth in the Company's Advanced Solutions business unit.

The Company continues to focus on growing its market share by supporting our customers with high-growth technology solutions and services such as hybrid cloud, security, data analytics, artificial intelligence ("AI") and hyper scale infrastructure. The move to cloud computing is reshaping the IT industry with customers seeking greater integration of products and services that tie technologies together. The Company has invested in broad, end to end solutions with deep capabilities to help customers manage the increasingly complex IT ecosystem. These investments, to diversify our portfolio, are paying off and the Company is well-positioned to bring increased value to our partners.

The Directors are confident that the IT market will rebound and return to growth with customers looking to refresh technologies purchased during the COVID years as well as grasping the opportunities that new technologies, such as AI, can bring.

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

	For the year ended 30 November 2023	*For the period ended 30 November 2022*	*Change Percentage*
	£000	*£000*	
Turnover	**1,632,267**	1,540,837	6%
Total operating profit	**30,162**	26,454	14%
Profit after tax	**32,642**	24,781	32%
Shareholders' funds	**368,842**	336,200	10%
Average number of employees	**1,300**	1,119	16%
Current assets as a % of current liabilities	**130 %**	123 %	

Results and dividends

The profit for the year ended 30 November 2023, after taxation, amounted to £32.6m (period ended 30 November 2022 – £24.8m). The Directors made the payment of a final dividend of £nil (period ended 30 November 2022 – £nil). There were no interim dividends declared or paid during the year (period ended 30 November 2022– £nil). Dividends received in the year amounted to £nil (period ended 30 November 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 £0.03m (30 November 2022 – £0.1m) 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 £112.7m at 30 June 2024. 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 service to our customers. The Company will also continue to look to manage margins by considered strategic product and market diversification.

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). Our BRGs are at the forefront of our commitment to inclusion, providing opportunities for co-workers to have meaningful conversations, celebrate cultural differences, give back to our surrounding communities, and 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.

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.

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.

Non-Financial and substantiality information statement
Climate-related Financial Disclosures (CFD)

The directors of TD SYNNEX UK Limited are aware of their responsibility to comply with the climate- related disclosures in accordance with the Companies Act 2006 section 414 climate-related financial disclosure requirements under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 to improve and increase reporting of climate-related financial information.

The Companies disclosure covers the four key areas of the Framework: governance, strategy, risk management and metrics & targets. TD SYNNEX UK Limited's sustainability strategy is set at the ultimate parent level, as a result the details in this disclosure will predominantly refer to the group level and add local level where appropriate.

In alignment with this group-level strategy, the UK business operates as a crucial component of the TD SYNNEX group, ensuring that its activities are consistent with the overarching sustainability objectives. This alignment ensures that the business activities of UK entities mirror those of the group, making the risks and opportunities identified at the group level directly relevant and applicable to the UK entity. Our technology distribution business, consistent across global operations supports the identification of climate-related risks and opportunities effectively. The UK board of directors meets quarterly to review and discuss UK specific business risks & compliance, including specific UK environmental & sustainability risks as part of this process. UK leadership plays a pivotal role in global strategy and sustainability discussions through the Corporate Citizenship Steering Committee and Sustainability Working Group. We have embedded sustainability across our global operations with dedicated headcounts, particularly in the European region and the UK, to build and support local climate transition strategies.

Governance

Board oversight of climate-related risks and opportunities

TD SYNNEX Corporation's Nominating and Corporate Governance Committee (Gov Committee) is chartered with the responsibility of assisting the Board in its review of the development, oversight, and implementation of the Company's Environmental, Social and Governance (ESG) policies, programs, and practices. The Gov Committee also reviews the draft proxy statements recounting the company's ESG activities including those addressing climate-related issues. The Chief Business Officer (CBO) leads climate-related matters at TD SYNNEX and raises climate-related agenda items (e.g. proposed rules published by the SEC on ESG reporting and progress against ESG commitments) to the Gov Committee or the Board annually or where there are material updates, seeking their feedback where necessary.

Management's role in assessing and managing climate-related risks and opportunities

The CBO oversees the Corporate Communications Department where the Corporate Citizenship Team resides. The Corporate Citizenship Team is primarily responsible for the ESG program at TD SYNNEX, where they work on sustainability policies and performance including education and thought leadership in the industry, sustainability metric and reporting, climate mitigation and greenhouse gases, circular economy and inculcating a sustainable culture within the organization. They work cross-functionally with other functions to identify, monitor, and manage climate-related risk and opportunities as well as how to translate those risk and opportunities into actionable plans and policies.

Several members of the Executive Leadership Team sit on the Corporate Citizenship Steering Committee to provide insight and advice on climate-related issues such as climate risk, decarbonization strategy and ESG policies. The Committee includes close to 30 Executive Leadership Team members and other key managers, from the Americas, Europe, and Asia Pacific Japan. They meet monthly with the Corporate Citizenship team to discuss climate-related issues such as carbon reduction roadmaps, sustainability capacity building and sustainable leasing policies. Key findings and decisions are then raised to the Board or Gov Committee through the CBO at least annually or where there are material updates..

Risk Management

TD SYNNEX's Enterprise Risk Assessment is performed annually with the benefit of the continuous identification and assessment of risk throughout the year. Our transition and physical climate-related risks alongside and within other corporate risks are assessed via our Enterprise Risk Management (ERM) process. The Enterprise Risk Management risk register is reviewed and assessed by Executive Leadership Team as well as Regional Presidents and key Functional Directors across the regions for each risk's impact, likelihood and time horizon. Additionally, specific or emerging risks not on the risk register are also reviewed during a follow-up interview within the assessment process. A risk level is then given to each risk based on the overall impact, likelihood and time horizon assessed from this process.

Climate-related Financial Disclosures (continued)

If a specific climate-related risk were identified and determined to be of material risk, the global corporate citizenship team would be alerted on priority to identify an appropriate response. Depending on the nature of the risk, a mitigation plan would be developed to reduce risk levels. All risks are continuously monitored throughout the year, and updated where there may be changes in legislation, markets, business, or the environment.

Transition climate-related risk relevant to TD SYNNEX are identified and updated as new legislation is released, market trends are observed, and business conversations and requests develop.
Physical climate-related risks are identified with support from a risk management and insurance specialist firm. All facilities under TD SYNNEX are assessed for their exposure to acute and chronic physical climate risks, such as floods from heavy rainfall and rising sea levels, severe weather resulting in wildland fire and extreme temperatures as well as wind storms. These risks are updated at least annually. The risk assessment takes into account short-, medium- and long-term impacts of climate change by using natural hazard risk maps that have forward-looking analysis accounting for changing climatic dynamics to have more accurate forecasts on potential exposures. For instance, the flood maps use historical flood data and current physically based hydrology and hydraulic scientific data, and account for variable external factors such as rainfall, evaporation, snowmelt, and terrain. All sites have a property Risk Management Plan in place which is reviewed by the risk management and insurance firm. This is supplemented by additional visits from external property engineers to selected facilities to verify the mitigation plans in place. A risk score is then provided to each location which informs us of the climate-related physical risk's potential impact. Acute and chronic physical climate-related risks that affect our global operations, informed by this assessment are then included in the Enterprise Risk Management risk register. We also assess how our global supply chain might be affected by physical climate-related risks.

We define substantive financial or strategic impact by a climate-related risk on our business as risk with a potential to materially impact the financial, operational and reputational aspects of the company. This can include any of the following: financial loss, loss of market share, negative media coverage, loss of customers/ vendors, prosecution and fines, litigation, regulatory queries, injuries, turnover rate and/ or departure of senior leaders. The extent of the climate-related risks impact is aligned with the severity scale used by the enterprise risk management system being incidental, minor, moderate, major and extreme.

For instance, a moderate impact of our business, depending on the context and other related factors, can include a moderate level of financial loss of global income, negative national-level media coverage, dissatisfaction of some customers or vendors resulting in business loss or increased cost in reassurance, correction orders from regulators and/ or widespread drop in co-workers' morale with some turnover.

Our likelihood range of the risk is similarly aligned with the scale used by the enterprise risk management system being rare, unlikely, more likely than not, likely and virtually certain.

Risk time horizon

Horizon	Years	Explanation
Short-term	0-3	These years will be the formulative years of building up any climate strategy and solidifying work towards our near-term target while setting up the foundations for our net-zero goal.
Medium-term	3-10	We have adopted the timing after 3 years and that below 10 years to be of our medium-term timeframe to capture our near-term progress and considerations
Long-term	>10	We have defined any timeline beyond 10 years to be a long-term timeframe.

Strategy

TD SYNNEX recognises the potential significant impact that climate-related risk and opportunities could have on the business. The incorporation of the ability to manage the risk and capture the opportunity into our risk management strategy and financial planning is therefore crucial. A detailed description of the climate-scenarios, potential risks and opportunities and how we are managing them to ensure the resilience of our overall organization's strategy can be found below.

Our corporate sustainability strategy has been formulated taking into account various factors and the following qualitative climate-scenarios.

Climate-related Financial Disclosures (continued)

Climate-related Scenario	Scenario Assumptions	Impacts
Physical climate scenario RCP 1.9	The RCP1.9 pathway is aligned with limiting global warming to below 1.5°C in 2100. It requires that emissions peak immediately and decline rapidly to reach net zero CO2 emissions by 2050, with emissions to be increasingly negative thereafter. This scenario is characterized by environmental policies increasing in stringency and is likely to include a combination of restrictive carbon taxes, emission trading schemes, and tighter regulatory standards. Sea level rise is expected but to be less than 0.24m in the mid-21st century.	TD SYNNEX assumes that we are likely to be subjected to more stringent regulations, policies and increased taxes in the future. It also assumes our supply chain stakeholders (partners, vendors and customers) will also be subjected to similar pressures, which will influence our business with them through increased costs, requests but also the potential for collaboration and opportunity.
Physical climate scenario RCP 4.5	The RCP 4.5 pathway is an intermediate scenario where future temperatures are more likely than not to exceed 2°C but not more than 2.6°C by 2100. It requires that emissions have a decreased growth rate and peak around 2045 to reach roughly half of the levels of 2050 by 2100. This scenario is characterized by more stringent environmental policies, but less than that of RCP1.9 pathway. Sea level rise is expected to reach approximately 0.26m in the mid-21st century.	TD SYNNEX assumes that we will be subjected to increased regulatory, and policy demands but that different regions may move with differing speeds. We also assume that we will be subjected to greater climate-related physical impacts.

We use the RCP1.9 pathway to analyse our governance, targets and sustainability programme to be aligned to a world where global warming is limited to below 1.5°C in 2100. However, we recognise that climate-related physical risks may be more severe as per the RCP4.5 pathway and are reviewing our specific climate-related physical risks and the mitigation measures needed to manage the associated climate-related physical impacts.

Climate-related Financial Disclosures (continued)

Types of Risks and Opportunities Considered

Transitional Climate-Related Risks

Type/ Driver	Potential Financial Impact	Risk Management Strategy	Time
Policy and Legal Enhanced climate-related reporting obligations	Climate-related reporting regulations have had increasing requirements over the past few years, with varied requirements by country or regions where TD SYNNEX operates in. Several upcoming climate-related regulations, such as the upcoming Corporate Sustainability Reporting Directive (CSRD) and the Securities and Exchange Commission (SEC) climate-relate disclosures, have also been announced with new frameworks and more detailed metrics to follow. In both the RCP 1.9 and RCP 4.5 pathways, we expect to report to local regulations and upwards to our parent company where they have to conform to regulations like the CSRD and SEC. We expect greater exposure to increased operational cost from alignment to multiple frameworks and exposure to potential penalties and business disruption from insufficient alignment. A greater risk is expected for more stringent reporting requirements in the RCP 1.9 pathway.	TD SYNNEX monitors the latest regulations globally and regionally to understand their potential impact on our business, proactively having internal discussions on the interoperability between sustainability reporting frameworks. TD SYNNEX has invested in a global carbon accounting tool to ensure a more precise and streamlined data collection process that will support robust reporting.	Short & Medium Term
Technology Substitution of existing products and services with lower carbon alternatives	Technology is constantly developing and there has been a growing demand for products and services that are deemed more sustainable. As a distributor and aggregator of technology products and solutions, our offerings are constantly pitted against competitors and there is a risk of loss of business to more those who can offer more sustainability attributes. In the RCP 1.9 pathway, we expect demand for sustainable technology to be greater and earlier as companies find their way towards their own net-zero targets by 2050. In the RCP 4.5 pathway, we expect to demand to be smaller and potentially later as companies decrease carbon emissions at a slower rate. There is greater risk of competition and loss of business in the RCP 1.9 pathway.	TD SYNNEX has established a Circular Economy Tower, which works on expanding and improving our circular economy services, such as our device trad in program (TD SYNNEX Renew) and our sustainable subscription solution, Tech as a Service (TaaS). The tower is also exploring how to further increase the use rates of assets we sell, recycling the materials used to make them, and avoiding waste.	Short & Medium Term

Type/ Driver	Potential Financial Impact	Risk Management Strategy	Time
Market Changing customer behaviour	There have been shifts in the market towards alignment with a net-zero future, resulting in more climate-aware partners and customers who seek more sustainable business practices and offerings. There is increasing pressure from partners to accelerate efforts in making both the business and supply chain more sustainable. In both the RCP 1.9 and RCP 4.5 pathway, we expect greater market forces towards climate-friendly practices with the former having more significant forces as companies find their way towards their own net-zero targets by 2050. There is a risk that the rate of market forces towards more climate-friendly practices result in a loss of business or increased costs from these changing in demand.	TD SYNNEX, through our education and thought leadership pillar, maintains collaboration within the supply chain, particularly with stakeholders who are also aligned to a net-zero future. This allows us to maintain a good pulse on best practices and demand of the industry, allowing us to further grow our sustainable services. TD SYNNEX has established a Sustainable Transportation and Logistics Tower, where we are working with our supply chain to offer more environmentally friendly logistics services. We are looking for and encouraging lower carbon alternatives for fossil powered transportation modes. We are also working with vendors to reduce package weight and size with the goal of increasing load factors and reducing transportation emissions per delivered product.	Short & Medium Term
Reputation Increased stakeholder concern or negative stakeholder feedback	Stakeholders increasingly recognize the importance of incorporating ESG into long-term strategy to remain competitive, improve profitability and drive innovation. This has also resulted in a growth of ESG criteria and standards which corporates are held up to. In both the RCP 1.9 and RCP 4.5 pathways, we expect the importance of ESG criteria and standards to grow with the former having greater criteria and standards to strive towards. There is a risk of increased costs from adhering to these growing standards while ensuring that any negative concerns are proactively mitigated and managed.	TD SYNNEX through our sustainability metrics and reporting pillar, keep track of the latest industry standards for ESG. We also work to incorporate them, where possible and applicable, into our long-term strategy to ensure that we are aligned with the latest standards and science.	Short, Medium & Long Term

Physical Climate-Related Risks

Type/ Driver	Potential Financial Impact	Risk Management Strategy	Time
Acute Physical Wildfires Storms Flooding Extreme temperature Severe wind	As a distributor of hardware with offices and warehouses, TD SYNNEX are exposed to a variety of acute physical climate-related impact that can cause property damage to our facilities, health and safety concern for our coworkers and disruptions to our logistics network. This can result in a financial impact to adapt and respond to any events. In both the RCP 1.9 and RCP 4.5 pathways, we expect to expose to the acute physical climate-related impacts with more severe impacts in the medium and long term for the latter pathway.	All facilities under TD SYNNEX are assessed annually for their exposure to acute and chronic physical climate risks using natural hazard risk maps that have forward-looking analysis accounting for changing climatic dynamics to have more accurate forecasts on potential exposures. All sites have a property Risk Management Plan in place which is reviewed and verified by technical experts.	Short, Medium & Long Term
Chronic Physical Rising sea levels Rising temperatures	Changing climatic dynamics place long-term and increasing financial and physical pressure on TD SYNNEX's assets as they are exposed to these chronic risks which can vary greatly across the regions, we operate in. In both the RCP 1.9 and RCP 4.5 pathways, we expect to expose to the chronic physical climate-related impacts with more severe impacts in the latter pathway.	There is currently no physical risks identified for UK facilities by our 3rd party risk management and insurance specialist firm but they are assessed annually and continuously monitored.	Long Term

Climate-Related Opportunities

Type/ Opportunity	Potential Financial Impact	Strategy	Time
Resource Efficiency Use of more efficient sites	With over 194 distribution and administrative facilities globally, there is opportunity for us to gain significant operational cost savings in both RCP1.9 and RCP4.5 pathway by enhancing efficiencies in resource usage, particularly in utilities.	TD SYNNEX has developed sustainable criteria for our global real estate team to use to evaluate new location opportunities including factors such as energy, water and waste efficiency design, access to renewable energy, and sustainable building certification. Sites with more sustainable criteria are prioritized for leasing. TD SYNNEX, under our culture pillar, has expanded our Green Teams network to close to 40 teams, who engage with their coworkers to inculcate sustainability habits and where some have led initiatives to identify areas at their sites to reduce operational carbon emissions.	Short & Medium Term
Resource Efficiency Use of more efficient distribution processes	As a distribution firm, our revenue is dependent on the efficiency of our distribution processes in both RCP1.9 and RCP4.5 pathway. Investment and refinement of the process will allow us to improve our performance and increase revenue.	TD SYNNEX's distribution processes are highly automated to ensure timely order fulfilment and accuracy and enhance the efficiency of our warehouse operations and back-office administration. We track multiple performance measurements to continuously improve the efficiency and capabilities of our distribution operations. Our proprietary IT systems and processes enable us to automate many of our distribution operations.	Short & Medium Term
Energy Source Use of lower-emissions sources of energy	Moving to lower energy systems helps us to reduce the risks associated with exposure to fluctuating fossil fuel prices and future carbon taxes. By investing in renewable infrastructure, long-term returns are to be anticipated. In the RCP1.9, fossil fuel price fluctuation and carbon taxes costs are expected to be higher than the RCP4.5 pathway.	TD SYNNEX is shifting towards more renewable energy systems and we are looking for opportunities to upgrade our facilities with sustainable attributes as our contracts and local infrastructure allow. We are investing in the refurbishment of our existing locations and adding new features such as solar panels and electric vehicle (EV) infrastructure. All of our UK facilities have shifted to certified, renewable-generated electricity both on site and via the grid.	Short, Medium & Long Term

Our climate strategy is informed by two scenarios of varied characteristics. From a transitional risk perspective, we identified the increased stringency of sustainability regulations and market forces towards more sustainable practices and products as main areas of concern. We are actively monitoring sustainability regulations and market dynamics. Our internal working groups, comprising the global Corporate Citizenship team and subject matter experts across various domains (such as legal, circular economy, and logistics), proactively stay ahead of regulatory requirements and emerging trends. From a physical risk perspective, we acknowledge that our co-workers and facilities are at risk to both acute and chronic physical climate-related impacts, with varying levels of risk and timeline across our locations. We maintain up-to-date Risk Management Plans for our properties, which undergo review and verification by technical experts. By annually assessing local risk exposure, we are able to efficiently mitigate climate-related physical impacts. We also recognize the importance of seizing climate-related opportunities. These opportunities serve both as risk mitigation strategies in a market shifting toward sustainability and as avenues to capture associated benefits. As we establish internal teams and refine processes, we believe that considering the full spectrum of characteristics in these scenarios enables us to appropriately manage our climate-related risks.

Climate-related Financial Disclosures (continued)

However, we understand that our resilience can be increased and are currently in the progress of executing a more specific and robust climate scenario analysis with the support of market leading experts. This climate scenario analysis uses the Network for Greening the Financial System (NGFS) Scenario Framework that represent a global, harmonized set of transition pathways, physical climate impacts, and economic indicators. We are analysing three different NGFS scenarios (i.e. Current Policies, Net Zero 2050 and Delayed Transition) with a 2050 horizon year that are differentiated by three key design choices relating to long-term policy, short-term policy, and technology availability. Functional co-workers, including from the UK, are participating in the risk and opportunities identification and implication workshops to shape our climate strategy. We expect revisions to be made to our risk, opportunities and strategy as a result.

Metrics and Targets

In April 2024, TD SYNNEX had our greenhouse gas (GHG) emission reduction targets validated by the Science Based Targets initiative (SBTi) including our net-zero target of reaching net-zero GHG emissions across the value chain by FY2045.

By FY2028:

- TD SYNNEX commits that 90% of its suppliers by spend covering purchased goods and services, will have science-based targets.
- TD SYNNEX commits that 58% of its customers by revenue covering use of sold products, will have science-based targets.

By FY2030:

- TD SYNNEX commits to reduce absolute Scope 1 & 2 GHG emissions 42% from a FY2022 base year.

By FY2045:

- TD SYNNEX commits to reduce absolute Scope 1, 2 and 3 GHG emissions 90% from a FY2022 base year.

TD SYNNEX's climate-related metrics are published annually in our corporate citizenship report and track our progress towards our net-zero by 2045 target. Our TD SYNNEX UK Limited's local data is published in our SECR report.

The UK business is fully embedded and supportive of the global corporate sustainability goals and strategy and we collaborative actively in making progress towards the goal as a global group. On a local level, we have achieved TD SYNNEX's near-term goal of reducing our Scope 1 and 2 GHG emissions 42% from a FY22 base year. TD SYNNEX UK has also created our own complimentary local goal of a 20% energy reduction target for 2023 and we achieved a 22% reduction in electrical energy for FY23 as compared to 12-month period ended 30 November 2022.

Relevant metrics from the SECR report has been extracted here with more information including accounting methodology and energy efficiency initiatives elaborated in the attached report.

Metrics	Unit	Feb 2022 - Nov 2022	FY23	Annual Change	Related Target
Energy Consumption	kWh	7,282,675	**8,473,971**	16%	• By FY23, TD SYNNEX UK targets to achieve a 20% energy reduction from 12-month period ended 30 November 2022.
Scope 1 emissions	tCO_2e[b]	604	**791**	31%	• By FY30, TD SYNNEX commits to reduce absolute Scope 1 & 2 GHG emissions 42% from a FY22 base year.
Scope 2 emissions (Market-based)	tCO_2e	597	**27**	(95%)	
Total Scope 1 and 2 emissions	tCO_2e	1,201	**818**	(32%)	

[a] kilowatt hour
[b] metric tonnes of carbon dioxide equivalent

Energy and carbon reporting

Summary

TD SYNNEX UK Limited's greenhouse gas emissions, reportable under SECR in 2022-23 were 1,750 tonnes CO2e.

These include the emissions associated with electricity; natural gas consumption; water supply and treatment; waste management and business travel in private vehicles owned by employees.

TD SYNNEX UK Limited's greenhouse gas emissions, using a location-based approach, were 18% higher than in Feb 22 to Nov 22. The intensity of 1,072 kgCO2e per £m revenue is 30% higher than last year.

Greenhouse gas emissions

Figure 1 Greenhouse gas emissions by year (tonnes CO2e) - Location based

Emissions source	Feb 22 - Nov 22	Dec 22 - Nov 23	Share (%)	YoY Variance (%)
Fuel combustion: Natural Gas	604	**791**	45%	31%
Purchased Electricity	652	**643**	37%	(1%)
Fuel combustion: Transportation	219	**313**	18%	43%
Water: Supply & Treatment	2	**2.9**	—%	45%
Waste Treatment	7	**0.4**	—%	(94%)
Total emissions (tCO2e)	**1,484**	**1,750**	**100%**	**18%**
Revenue (£m)	1,540	**1,632**		6%
Intensity: (kg CO_2e per £m of revenue)	**826**	**1,072**		**30%**

Figure 2 Greenhouse gas emissions by scope (tonnes CO2e) - Location Based

Emissions source	Feb 22 - Nov 22	Dec 22 - Nov 23	Share (%)	YoY Variance (%)
Scope 1	604	**791**	45.2 %	31 %
Scope 2	597	**592**	33.8 %	(1)%
Scope 3	283	**367**	21.0 %	30 %
Total emissions (tCO2e)	**1,484**	**1,750**	**100 %**	**18 %**

Figure 3 Greenhouse gas emissions by year (tonnes CO2e) - Market Based

Emissions source	Feb 22 - Nov 22	Dec 22 - Nov 23	Share (%)	YoY Variance (%)
Fuel combustion: Natural Gas	604	**791**	67%	31%
Purchased Electricity	652	**78**	7%	(88%)
Fuel combustion: Transportation	219	**313**	26%	43%
Water: Supply & Treatment	2.0	**2.9**	—%	45%
Waste Treatment	7.0	**0.4**	—%	(94%)
Total emissions (tCO2e)	**1,484**	**1,185**	**100%**	(20%)
Revenue (£m)	1,540	**1,632**		6%
Intensity: (kg CO_2e per £m of revenue)	**826**	**726**		(12%)

Energy and carbon reporting (Continued)

Figure 4 Greenhouse gas emissions by scope (tonnes CO2e) - Market Based

Emissions source	Feb 22 - Nov 22	Dec 22 - Nov 23	Share (%)	YoY Variance (%)
Scope 1	604	**791**	67%	31%
Scope 2	597	**27**	2%	(95%)
Scope 3	283	**367**	31%	30%
Total emissions (tCO2e)	**1,484**	**1,185**	100%	(20%)

Scope 1: Natural gas. Scope 2: Electricity. Scope 3: Losses from electricity distribution and transmission: waste management; water supply & treatment and business travel in personal vehicles by employees. This only includes emissions reportable under SECR and may not reflect the entire carbon footprint of the organisation.

Energy consumption

Figure 5 Energy consumption by year (kWh)

Emissions source	Feb 22 - Nov 22	Dec 22 - Nov 23	Share %	YoY Variance (%)
Natural Gas	3,308,681	**4,323,547**	51 %	31%
Electricity	3,087,193	**2,859,242**	34 %	(7%)
Transport fuel	886,801	**1,291,182**	15 %	46%
Total consumption (kWh)	**7,282,675**	**8,473,971**	**100 %**	**16%**

Boundary, methodology and exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary[1].

This approach captures emissions associated with the operation of the buildings, the offices and single warehouse and transport. This report covers UK operations only, as required by SECR for Non-Quoted Large Companies.

The report includes for the first year, market-based emissions, which are reported on a voluntary basis alongside our location-based emissions. The market-based emissions reflect electricity supply tariffs from a renewable source.

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

The GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2023 have been used calculate the SECR disclosures.

The reporting period is December 2022 to November 2023, as per the financial accounts.

Energy efficiency initiatives

TD SYNNEX UK Ltd have made progress on energy efficiency since the start of mandatory energy and carbon reporting. The business has focussed on improving the energy efficiency of its Estate, and this has been further progressed in 2023/24.

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

[1] An operational control approach to GHG emissions boundary is defined as: "Your organisation has operational control over an operation if it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies at the operation".

Energy and carbon reporting (Continued)

Energy efficiency initiatives (continued)

In early 2023 the business moved to a new office in Basingstoke, Chineham Park (moving buildings within the Business Park from Redwood to Maplewood). The new office is also a leased domain, within a landlord run building. Accordingly, the company operates from three buildings, where the central services of the domains are controlled by the Landlord, this means we have limited opportunity to improve energy efficiency, although we continue to work with the landlords on ensure the control of heating, ventilation, and cooling remain optimised.

The building in Bracknell, the Capitol Building, is BREEAM rated 'Very Good'. BREAM follows 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.

In early 2023, we completed the refurbishment of our domain in the Capitol Building, Bracknell. We reported last year that one of the goals of the refurbishment was to achieve a BSRIA GOLD SKA rating upon completion of the project, which we are proud to announce we achieved in January 2023.

The SKA standard assesses the sustainability of refurbishments projects, with Gold the highest standard of the scheme. As part of the project, we reduced our physical footprint in the building, and completed the full installation of LED lighting across our office, in January 2023.

In the reporting period, the business completed the installation of a new UPS system in the Bracknell building, that has intelligent control. The controller assesses the energy demand of the server's 'backup' requirements and adjusts the charging requirement of the UPS. In addition, we removed the 'back-up' diesel generator, reducing our reliance on fossil fuels.

In early 2023, we completed the process of relocation our office in Basingstoke, from our office Redwood, we reduced our physical footprint, and the new building Maplewood is BREEAM rated 'Very Good', we made the same commitment to refurbishing Maplewood to BSRIA SKA rated refurbishment before we move in, and again we achieved a GOLD SKA rating January 2023.

In exiting Redwood, and during the refurbishment of the Bracknell office, we considered the environmental impact of the move and the refurbishment. The business worked with Waste to Wonder a charitable foundation, who organise refurbishment and redistribution of our furniture, and office equipment and IT and office equipment to charities in Africa and the UK, in doing so providing valuable aid and support. In addition, by reusing, rather than recycling, the furniture and equipment, we avoided 153 tonnes of tonnes CO_2e emissions.

At the Magna Park warehouse, we continue to review our energy management practice and procedure and conduct regular energy awareness activities. The building has 100% LED coverage, with zoned. auto dim and motion sensor lighting control and the HVAC is reviewed on a regular basis to ensure it is optimised.

In 2022, the business started the transition from fossil fuel generated electricity, through investment in green supply tariffs from a renewable source. The Warrington was supplied by green energy, in the last reporting period, but in this reporting period all our offices now have a green supply. The new Maplewood building in Basingstoke, as with the Bracknell office also has solar PV arrays.

A further strategic consideration for selecting Maplewood, was that it has electric vehicle (EV) charging infrastructure. In addition, we continue to develop charging infrastructure, with three charging stations installed at our Warrington Office. The installation of EV charging enables our staff the opportunity to switch from fossil fuel vehicles to electric vehicles, reducing air pollution that contributes to climate change. In addition, we promote 'agile' working, this action resulted in us reducing the number of parking spaces at our Warrington Office by forty spaces.

In the last reporting period, we reported that we had applied for planning permission to install EV chargers at Magna Park. Planning permission was granted by the Local Authority, and as such we can move forward with the installation of EV chargers, in the next fiscal year.

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
4B770D528853448...

S Philp

Director

Maplewood Crockford Lane
Chineham Park
Basingstoke
Hampshire
RG24 8YB

Date: Aug 28, 2024

The Directors present their report and financial statements for the year ended 30 November 2023.

Directors

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

A Amsellem
A Gass (resigned 10 January 2024)
D Watts
S Philp

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

Change in reporting date

The company had shortened its previous reporting period so as to end on 30 November 2022. Due to that comparative information has been presented for period starting on 1 February 2022 and ending on 30 November 2022.

Going concern

At the reporting date, the Company had net current assets of £191.3m. 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 within the UK marketplace.

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 payables 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 inhouse 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 net receivable amounting to £160.4m at 31 July 2024 and £241.5m reported as a net receivable at 30 November 2023. The movement 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 from the date of approval of the financial statements, the going concern assessment period. This assessment has modelled the expected cash days which indicates how much time the company needs to sell its inventory, to collect receivables, and to pay its creditors 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.

Going Concern (continued)

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 2023 amounted to £67.2m, 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.

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 skill sets 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 2023, the Company had an average of 126 days purchases outstanding in trade creditors (30 November 2022 – 105 days).

Directors' report (continued)

For the year ended 30 November 2023

Disclosure of information to the auditor

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.

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

Maplewood Crockford Lane
Chineham Park
Basingstoke
Hampshire
RG24 8YB

Date: Aug 28, 2024

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 judgments and estimates that are reasonable and prudent;
- state whether applicable International 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
4B770D528853448...

S Philp
Director

Maplewood Crockford Lane
Chineham Park
Basingstoke
Hampshire
RG24 8YB

Date: Aug 28, 2024

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

Opinion

We have audited the financial statements of TD SYNNEX UK Limited ("the Company") for the year ended 30 November 2023 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 2023 and of its profit for the year 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.

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

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, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of fraudulent revenue recognition arising in the cut off period before year end as a result of the Company's focus on revenue growth.

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 cash 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 before year end regarding the applicable shipping terms to ensure revenue was recognized in the appropriate period.

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.

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 fines 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.

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

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.

Directors' responsibilities

As explained more fully in their statement set out on page 21, 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.

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

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.

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

29 August 2024

Income statement

For the year ended 30 November 2023

	Notes	For the year ended 30 November 2023	For the period ended 30 November 2022
		£000	*£000*
Turnover	4	**1,632,267**	1,540,837
Cost of sales		**(1,489,363)**	(1,412,284)
Gross profit		**142,904**	128,553
Administrative expenses		**(104,598)**	(94,008)
Distribution costs		**(8,144)**	(8,091)
Operating profit	5	**30,162**	26,454
Interest receivable and similar income	8	**4,604**	435
Interest payable and similar charges	9	**(2,018)**	(1,389)
Profit on ordinary activities before taxation		**32,748**	25,500
Tax	10	**(106)**	(719)
Profit for the financial year/period		**32,642**	24,781

All amounts relate to continuing activities.

Statement of comprehensive income

for the year ended 30 November 2023

There is no other comprehensive income other than the profit attributable to the shareholders of the Company of £32.6m for the year ended 30 November 2023 (period ended 30 November 2022 - £24.8m).

The notes on pages 29 to 50 form an integral part of these financial statements.

Registered No. 01691472

Statement of financial position
As at 30 November 2023

	Notes	*30 November 2023 £000*	*30 November 2022 £000*
Fixed Assets			
Intangible assets	11	**177,887**	181,100
Property, plant and equipment	12	**8,727**	7,174
Right-of-use assets	13	**26,315**	25,798
		212,929	214,072
Current Assets			
Stock	14	**148,722**	196,362
Debtors	15	**676,935**	676,101
Cash at bank and in hand		**30**	107
		825,687	872,570
Creditors: amount falling due within one year	16	**(634,369)**	(711,008)
Net current assets		**191,318**	161,562
Total assets less current liabilities		**404,247**	375,634
Provisions for liabilities	17	**(1,649)**	(1,937)
Lease liabilities	13	**(29,420)**	(28,216)
Other liabilities	18	**(4,336)**	(9,281)
Total net assets		**368,842**	336,200
Capital & Reserves			
Called up share capital	19	**12,000**	12,000
Share premium		**15,600**	15,600
Capital Contribution Reserve	20	**141,955**	141,955
Retained earnings		**199,287**	166,645
Total equity		**368,842**	336,200

The notes on page 29 to 50 are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on Aug 28, 2024 and were signed on its behalf by:

DocuSigned by:

Steve Philp

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S Philp

Director

Statement of changes in equity
For the year ended 30 November 2023

	Note	Share capital Ordinary	Share capital Non-qualified preference	Share premium	Capital contribution reserve	Retained earnings	Total Shareholders funds
		£000	£000	£000	£000	£000	£000
Balance as at 1 February 2022		12,000	—	15,600	141,955	142,147	311,702
Profit for the year		—	—	—	—	24,781	24,781
Share based payments	21	—	—	—	—	(283)	(283)
Balance as at 30 November 2022		**12,000**	**—**	**15,600**	**141,955**	**166,645**	**336,200**
Profit for the year		—	—	—	—	32,642	32,642
Share based payments	21	—	—	—	—	—	—
Balance as at 30 November 2023		**12,000**	**—**	**15,600**	**141,955**	**199,287**	**368,842**

The notes on pages 29 to 50 form an integral part of these financial statements.

Notes to the financial statements
For year ended 30 November 2023

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

The financial statements of TD SYNNEX UK Limited for the year ended 30 November 2023 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 had shortened its previous reporting period so as to end on 30 November 2022. Due to that comparative information has been presented for period starting on 1 February 2022 and ending on 30 November 2022.

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 TD SYNNEX UK Limited 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 it is a wholly-owned subsidiary undertaking of TD SYNNEX Corporation, the group financial statements of which are publicly available (note 27).
- The requirements of paragraphs 45 (b) and 46 - 52 of IFRS 2 share based payments.

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 24.

Going concern
At the reporting date, the Company had net current assets of £191.3m. 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 within the UK marketplace.

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 payables 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 inhouse 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 net receivable amounting to £160.4m at 31 July 2024 and £241.5m reported as a net receivable at 30 November 2023. The movement 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 from the date of approval of the financial statements, the going concern assessment period. This assessment has modelled the expected cash days which indicates how much time the company needs to sell its inventory, to collect receivables, and to pay its creditors 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.

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 2023 amounted to £67.2m, 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.

Based on this the Directors consider that it is appropriate to draw up these accounts on a going concern basis.

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 2023 (2022: £Nil). Sensitivities and key assumptions used in the impairment review are described in note 11.

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; 9 years remaining
Software	–	3 to 5 years
Customer list	–	5 to 13 years

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.

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 customer returns once acceptance is provided on receipt of return. The Company generates revenue primarily from the sale of various IT products.

Notes to the financial statements (continued)
For year ended 30 November 2023

2. Accounting Policies (continued)

Revenue recognition ***(continued)***

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, post-contract software support services and extended warranty contracts.

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.

Bill-and-hold arrangement

A bill-and-hold arrangement is a contract under which an entity bills a customer for a product but the entity retains physical possession of the product until it is transferred to the customer at a point in time in the future. An entity shall determine when it has satisfied its performance obligation to transfer a product by evaluating when a customer obtains control of that product.

For a customer to have obtained control of a product in a bill-and-hold arrangement, all of the following criteria must be met:

a. the reason for the bill-and-hold arrangement must be substantive;
b. the product must be identified separately as belonging to the customer;
c. the product currently must be ready for physical transfer to the customer; and
d. the entity cannot have the ability to use the product or to direct it to another customer.

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.

2. Accounting Policies (continued)

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.

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.

2. Accounting Policies (continued)

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.

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.

2. Accounting Policies (continued)

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 and performance restricted stock units 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 by the use of an appropriate pricing model. In valuing equity settled transactions, no account is taken of any vesting conditions, other than 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 or not 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.

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.

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. Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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.

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.

5. Operating profit

This is stated after charging

	For the year ended 30 November 2023 £000	*For the period ended 30 November 2022 £000*
Auditor's remuneration- audit services	**520**	497
Auditor's remuneration- audit services for group undertakings	**431**	—
Depreciation - fixed assets	**2,160**	1,239
Depreciation - right-of-use assets	**3,686**	3,369
Amortisation of intangible fixed assets	**3,186**	2,794
Foreign exchange loss	**785**	132

6. Directors' remuneration

	For the year ended 30 November 2023 £000	*For the period ended 30 November 2022 £000*
Aggregate remuneration in respect of qualifying services	**2,022**	1,982
Company contributions to money purchase pension schemes	**23**	18

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid Director was £721,059 (period ended 30 November 2022 - £692,489), and Company pension contributions of £nil (period ended 30 November 2022 - £nil) were made to a money purchase scheme on his behalf.

	For the year ended 30 November 2023 No.	*For the period ended30 November 2022 No.*
Retirement benefits are accruing to the following number of directors under:		
Money purchase pension schemes - group personal pension	**2**	2
Number of directors who received shares in respect of qualifying services	**4**	3

Wages and salaries are inclusive of share based payments related to directors' payments of £134,069 (period ended 30 November 2022 - £71,247) arising from transactions accounted for as equity settled share-based payment transactions.

7. Staff costs

	For the year ended 30 November 2023	*For the period ended 30 November 2022*
	£000	*£000*
Wages and salaries	**46,170**	39,139
Social security costs	**5,403**	4,832
Other pension costs	**1,925**	1,471
	53,498	45,442

Wages and salaries are inclusive of share based payments of £498,649 (period ended 30 November 2022 - £167,838) 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:

	For the year ended 30 November 2023	*For the period ended 30 November 2022*
	No.	*No.*
Office and management	**489**	246
Sales, marketing & distribution staff	**811**	873
	1,300	1,119

The total number of employees as at 30 November 2023 is 1,238 (30 November 2022 : 1,139).

8. Interest receivable and similar income

	For the year ended 30 November 2023	*For the period ended 30 November 2022*
	£000	*£000*
On loans to group companies	**4,604**	435

9. Interest payable and similar charges

	For the year ended 30 November 2023	*For the period ended 30 November 2022*
	£000	*£000*
On leases	**1,669**	1,081
On loans from group companies	**349**	308
	2,018	1,389

Notes to the financial statements (continued)
For year ended 30 November 2023

10. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	For the year ended 30 November 2023 *£000*	*For the period ended 30 November 2022* *£000*
Current income tax:		
UK corporation tax	—	5,269
Tax adjustment relating to previous years	(775)	(4,769)
Total current income tax	(775)	500
Deferred tax:		
Origination and reversal of temporary differences	**881**	219
Tax expense in the Income statement (note 10 (b))	**106**	719

(b) Reconciliation of the total tax charge

The tax expense in the Income statement for the year is lower than (2022 is lower than) the standard rate of corporation tax in the UK of 23.01% (2022: 19.0%). The differences are reconciled below:

	For the year ended 30 November 2023 *£000*	*For the period ended 30 November 2022* *£000*
Profit from ordinary activities before tax	**32,748**	25,500
Tax calculated at UK standard rate of corporation tax of 23.01% (2022: 19.0%)	**7,535**	4,845
Entertaining, non-qualifying depreciation and other disallowances	**182**	58
Group relief received for nil consideration	**(8,110)**	—
Non deductible intangible amortisation	**698**	490
Non taxable income	**(27)**	—
Rates differences	**18**	50
Tax adjustment relating to previous years	**(190)**	(4,724)
Total tax charge in the income statement	**106**	719

(c) Deferred tax

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

	For the year ended 30 November 2023 *£000*	*For the period ended 30 November 2022* *£000*
Accelerated capital allowances	**(152)**	652
Other timing differences	**194**	271
Total deferred tax included in the balance sheet (note 15)	**42**	923

10. Taxation (continued)

(c) Deferred tax *(continued)*

Deferred tax assets/ (liabilities):	*30 November 2023*	*30 November 2022*
At beginning of the year/period	**923**	1,142
Adjustment in respect of prior years	**(585)**	(45)
Deferred tax charge to income statement for the year/period	**(296)**	(174)
At the end of the year/period	**42**	923

In addition to the deferred tax asset above, the Company has unrecognised gross tax losses and temporary trading differences of £360,000 (30 November 2022: £360,000).

The Company has applied the mandatory temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two rules.

(d) Provision for deferred tax

The deferred tax in the income statement is as follows:

	For the year ended 30 November 2023	*For the period ended 30 November 2022*
	£000	*£000*
Accelerated capital allowances	**279**	221
Movement on general provisions	**18**	(47)
Tax adjustment relating to previous years	**584**	45
Total deferred tax in the income statement (note 10 (a))	**881**	219

(e) Factors that may affect future tax charges

On 1 April 2023 the corporation tax rate increased to 25%. For the financial year ended 30 November 2023, the current weighted averaged tax rate was 23.01%. Deferred tax balances have been remeasured accordingly where appropriate.

Notes to the financial statements (continued)
For year ended 30 November 2023

11. Intangible assets

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*	*Software*	*Customer list*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*
Cost:					
At 30 November 2022	171,841	4,097	2,494	42,195	220,627
Additions	—	—	47	—	47
Disposals	—	—	(245)	—	(245)
At 30 November 2023	171,841	4,097	2,296	42,195	220,429
Amortisation:					
At 30 November 2022	10,852	3,597	2,338	20,203	36,990
Charge for the year	—	50	103	3,033	3,186
Disposals	—	—	(171)	—	(171)
At 30 November 2023	10,852	3,647	2,270	23,236	40,005
Impairment:					
At 30 November 2022	2,537	—	—	—	2,537
Impairment for the year	—	—	—	—	—
At 30 November 2023	2,537	—	—	—	2,537
Net book value:					
At 30 November 2022	158,452	500	156	21,992	181,100
At 30 November 2023	**158,452**	**450**	**26**	**18,959**	**177,887**

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 CGU has been determined based on the value-in-use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. 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.

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 has been a downturn in the UK market, after the COVID technology boom. However with the investment in high-growth technology solutions such as hybrid cloud, security, data analytics, artificial intelligence ("AI") and hyper scale infrastructure management are confident in the long-term growth of the 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.

11. Intangible assets (continued)

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 14.5% 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 %	52.4	105.3	111.7	174.1	214.5
13.5 %	35.4	82.6	49.4	141.7	175.9
14.5 %	21.2	63.7	66.6	115.3	144.7
15.5 %	9.0	60.6	87.0	109.6	137.3
16.5 %	(1.5)	34.0	34.8	74.6	97.4

The above table shows that there is reasonable headroom on the impairment test of £66.6m. 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.

12. Property, plant and equipment

	Motor Vehicles	*Computer, plant and machinery,and office equipment*	*Furniture, fixtures and fittings*	*Total*
	£000	***£000***	***£000***	***£000***
Cost:				
At 30 November 2022	1	21,334	4,657	25,992
Additions	—	3,436	651	4,087
Disposals	—	(581)	(2,068)	(2,649)
At 30 November 2023	1	24,189	3,240	27,430
Depreciation:				
At 30 November 2022	1	17,172	1,645	18,818
Charge for the year	—	1,804	356	2,160
Disposals	—	(400)	(1,875)	(2,275)
At 30 November 2023	1	18,576	126	18,703
Net book value:				
At 30 November 2022	—	4,162	3,012	7,174
At 30 November 2023	—	**5,613**	**3,114**	**8,727**

13. 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 30 November 2022	36,357	868	37,225
Additions	5,014	—	5,014
Disposals	(4,377)	—	(4,377)
At 30 November 2023	**36,994**	**868**	**37,862**
Depreciation:			
At 30 November 2022	10,793	634	11,427
Charge for the year	3,521	165	3,686
Disposals	(3,566)	—	(3,566)
At 30 November 2023	**10,748**	**799**	**11,547**
Net book value:			
At 30 November 2022	25,564	234	25,798
At 30 November 2023	**26,246**	**69**	**26,315**

	30 November 2023	*30 November 2022*
	£000	*£000*
Lease liabilities		
Current	**3,481**	2,525
Non-current	**29,420**	28,216
	32,901	30,741

13. Leases (continued)

(ii) Amounts recognised in the Income statement

	For the year ended 30 November 2023	*For the period ended 30 November 2022*
	£000	*£000*
Depreciation charge of right-of-use assets		
Buildings	**3,521**	3,229
Vehicles	**165**	140
	3,686	3,369
Interest expense (included in Interest payable and similar charges)	**1,669**	1,081
Income from sub-leasing	**(297)**	(371)

Future minimum lease payments	*30 November 2023*	*30 November 2022*
	£000	*£000*
Within one year	**3,481**	4,055
Two to five years	**20,977**	16,531
Over five years	**16,351**	17,972
Total gross payments	**40,809**	38,558
Impact of interest expense	**(7,908)**	(7,817)
Carrying amount of liability	**32,901**	30,741

14. Stock

	30 November 2023	*30 November 2022*
	£000	*£000*
Finished goods	**148,722**	196,362

During the year the company released inventory previously written-down to net realisable value resulting in a net recovery of £605,889 (period ended 30 November 2022: write-down to net realisable value of £250,072).

15. Debtors

	30 November 2023 *£000*	*30 November 2022* *£000*
Trade debtors	**352,516**	440,472
Amounts owed by group undertakings	**270,833**	160,582
Other debtors	**40,692**	53,040
Derivatives	**498**	1,153
Prepayments and accrued income	**10,218**	17,871
Corporation tax recoverable	**2,136**	2,060
Deferred tax asset	**42**	923
	676,935	676,101

Amounts owed by group undertakings are all with related parties and subsidiaries or fellow subsidiaries. At 30 November 2023 amounts owed by the Parent is £nil and amounts owed by fellow subsidiaries are £270.0m (30 November 2022 amounts owed by the Parent is £nil and amounts owed by fellow subsidiaries are £160.6m).

The amounts due from group undertakings in respect of in-house bank accounts of £245.0m (30 November 2022: £137.5m) 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 applicable interest rate (SOFR for USD, SONIA for GBP, ESTRON for EUR) (2022: 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 £4.5m (£9.5m at 30 November 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 18.

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

	30 November 2023 ***£000***	*30 November 2022* *£000*
Trade debtors	**353,854**	442,083

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

	30 November 2023 ***£000***	*30 November 2022* *£000*
Europe	**353,854**	442,083

A summary of the company's exposure to credit risk for trade receivables by credit risk ageing as at 30 November 2023 and as at 30 November 2022 are as follows:

	Credit impaired ***£000***	***Not credit impaired*** ***£000***
Below 90 days	**352,896**	-
Above 90 days	**958**	-
Total gross carrying amount at 30 November 2023	**353,854**	-

Notes to the financial statements (continued)
For year ended 30 November 2023

15. Debtors (continued)

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

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 2023	*30 November 2022*
	£000	*£000*
Balance at beginning of year/period	**(1,611)**	(1,367)
Impairment loss recognised	**(596)**	(691)
Impairment loss reversed	**837**	396
Amounts written off	**32**	51
Balance at end of year/period	**(1,338)**	(1,611)

16. Creditors: amounts falling due within one year

	30 November 2023	*30 November 2022*
	£000	*£000*
Trade creditors	**490,810**	535,351
Amounts owed to group undertakings	**67,155**	72,216
Other creditors including tax and social security	**38,348**	59,236
Derivatives	**1,142**	2,063
Accruals	**33,433**	39,617
Lease liabilities - current	**3,481**	2,525
	634,369	711,008

Amounts owed to group undertakings are all for related parties and subsidiaries or fellow subsidiaries. At 30 November 2023 amounts owed to the Parent is £nil and amounts owed to fellow subsidiaries are £67.2m (at 30 November 2022 amount owed to Parent is £0.3m and amounts owed to fellow subsidiaries are £71.9m). The amounts that are in respect of in-house bank accounts of £2.6m (30 November 2022: £1.5m) are repayable at 45 days notice. Interest payable on the in-house bank accounts is at applicable interest rate (SOFR for USD, SONIA for GBP, ESTRON for EUR) plus 1% (2022: at fallback rates for ICE LIBOR plus 1%). These amounts are owed to a fellow subsidiary.

17. Provisions for liabilities

	30 November 2023 £000	*30 November 2022 £000*
Provisions	**1,649**	1,937

	30 November 2023 £000	*30 November 2022 £000*
Provision at 1 December 2022	**1,937**	2,152
Utilised during the year	**(412)**	(215)
Arising during the year	**124**	—
Provision at 30 November 2023	**1,649**	1,937

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.

18. 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 16. The deal spans a five-year period and has been recognised in full by the Company as it is an agent in the transaction.

19. Issued share capital

	No.	*30 November 2023 £000*	*No.*	*30 November 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	—

20. 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.

21. Share-based payments

Equity settled share-based payments

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.

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. 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 year ended 30 November 2023 is £498,649 (30 November 2022: £167,838).

The weighted average share price at the date of exercise of share options exercised during the year was $97.39 (30 November 2022: $Nil). The carrying value of liability at 30 November 2023 is £1,101,000 (30 November 2022: £594,000).

The awards outstanding at the year end have an exercise price in the range of $87.82 to $103.21 and a weighted average contractual life of 2.65 years (2022: $87.82 to $103.21; 2.93 years).

21. Share-based payments (Continued)

Grant date	Method of settlement accounting	Number of instruments	Vesting conditions	Contractural life of options
Awards granted by UPU on 31/03/2022	Equity	7,922	Service based	3 - 5 years
Awards granted by UPU on 31/03/2022	Equity	4,529	Performance based	3 - 5 years
Awards granted by UPU on 06/07/2022	Equity	142	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	12,935	Service based	3 - 5 years
Awards granted by UPU on 04/04/2023	Equity	751	Service based	3 - 5 years
Awards granted by UPU on 03/10/2023	Equity	31,938	Service based	3 - 5 years

	30 November 2023		*30 November 2022*	
	No. shares	**Weighted average exercise price $**	No. shares	Weighted average exercise price $
Outstanding at beginning of the year	**37,300**	**94.31**	—	—
Forfeited during the year	**(2,850)**	**(93.02)**	—	—
Exercised during the year	**(9,508)**	**(97.39)**	—	—
Granted during the year	**33,356**	**96.92**	37,300	94.31
Lapsed during the year	—	—	—	—
Outstanding at the end of the period/year	**58,298**	**96.58**	37,300	94.31
Exercisable at the end of the year	**75**	**87.82**	—	—

22. Pensions

The pension cost for the year represents contributions payable by the Company into a group personal pension arrangement (defined contribution) and amounted to £1,925,455 (for the period ended 30 November 2022 - £1,470,802). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

23. 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 2023	*30 November 2022*
	£000	*£000*
Forward foreign currency contracts (assets)	**498**	1,153
Forward foreign currency contracts (liabilities)	**(1,142)**	(2,063)
Forward foreign currency contracts	**(644)**	(910)

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.

Notes to the financial statements (continued)
For year ended 30 November 2023

23. Derivatives (Continued)

The total amount recognised in profit and loss on the Company's foreign currency forward contracts was a net foreign currency exchange loss of £1.1m (30 November 2022 - exchange loss of £0.3m).

The following table demonstrates the sensitivity to a reasonably possible change in the Sterling against the US dollar and Euro 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 2023	**Change in FX rate**	**Effect on profit**
		£'000
US dollar/ Sterling	(10%)	**3,209**
	10%	**8,733**
Euro/ Sterling	(10%)	**1,447**
	10%	**770**

24. Parent and ultimate parent company

The Company's immediate parent undertaking is Azlan European Finance Limited, a company 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.

25. Post balance sheet events

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