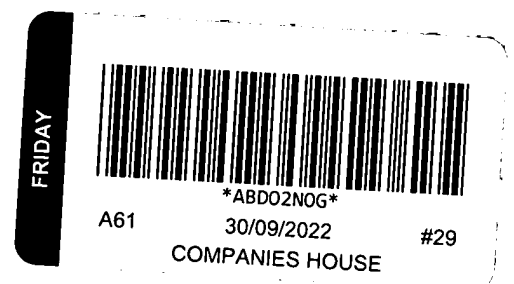


# Actimize UK Limited

Registered number: 05135139

## Annual Report

For the year ended 31 December 2021



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**ACTIMIZE UK LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	S L Joyce-Phillips D J Rushworth
<b>Company secretary</b>	S L Joyce-Phillips
<b>Registered number</b>	05135139
<b>Registered office</b>	Tollbar House Tollbar Way Southampton Hampshire SO30 2ZP
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor 5th Floor, Merck House Seldown Lane Poole Dorset BH15 1TW
<b>Bankers</b>	Citibank N A Canada Square Canary Wharf London E14 5LB

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**ACTIMIZE UK LIMITED**

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## **ACTIMIZE UK LIMITED**

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### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Introduction**

The Directors present their Strategic Report for the year ended 31 December 2021.

#### **About NICE and Actimize**

Actimize UK Limited is a limited company registered in Southampton, UK. The ultimate parent company is NICE Ltd ("NICE"), a company incorporated in Israel.

NICE is a global enterprise software leader, providing cloud platforms for AI-driven business solutions that serve two main markets: Customer Engagement and Financial Crime and Compliance. Our core mission is to transform experiences to be extraordinary and trusted and create frictionless and safe digital-first consumer reality where every interaction is easy, effortless and instantaneous. Our solutions are used by organisations of all sizes and are offered in multiple delivery models, including cloud and on-premises.

In the Financial Crime and Compliance market, we protect financial services organisations and their customers' accounts and transactions, with solutions that identify risks faster and earlier to prevent money laundering and fraud, as well as ensure compliance in real-time.

Enabling trusted financial transactions is critical during the digital banking era and is increasingly challenging for financial services organisations. To stay competitive, organisations are providing more digital channels and more products and services to acquire and retain customers, all of which need to be monitored for fraud and regulatory compliance. With criminals, organised crime rings, and armies of cyber bots attacking digital payments and banking channels while also scamming individuals and corporations, preventing fraud without customer friction and detecting and predicting money laundering is more complex than ever. In addition, adhering to capital markets compliance regulations in the current work from home environment has also become more complex.

Surveilling trades across all asset classes for market manipulation is not enough, today, organisations need to monitor employee and trader communications and other activities to detect and predict potential foul play. These demands and market dynamics coupled with consumers' desire for frictionless digital transactions require organisations to transform and modernize their financial crime programs.

Organisations need to be agile to effectively adapt to ensure regulatory compliance, ward off new threats, provide excellent customer experiences and grow the business, all while protecting their organisation, safeguarding their customers, and ensuring the integrity of the financial services industry.

With the assistance of Actimize, NICE brings together sophisticated AI, advanced analytics, and intelligent data, empowering FSOs to protect their customers and assets. Our portfolio of cross-channel fraud prevention, anti-money laundering and trading surveillance solutions enables fast and accurate decision making - allowing firms to quickly respond to market changes. With the power of the industry and our global user community, NICE Actimize is creating a future where financial crime programs are more powerful, intelligent, and efficient than ever before.

NICE is at the forefront of several industry technological disruptions that have greatly accelerated in the last two years: the adoption of cloud platforms by organisations of all sizes and verticals, the shift of consumer and organisational preferences towards digital-centric services and experiences, the growing acceptance of AI, and the need to manage, optimise and engage a diverse and remote workforce while retaining and attracting top talents. Our suite of integrated portfolio solutions, based on our unique domain expertise, provide organisations engaged in customer experience, financial crime and public safety with industry-leading agility and unmatched innovation that are essential for their success.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Business review**

The past year marks an inflection point in the history of NICE. The strategic transformation that we have been leading over the past few years has resulted in a dramatic, positive change to our financial profile. In 2021, NICE turned into a consistent double-digit grower and we reached a critical milestone in our cloud transformation, surpassing \$1 billion in cloud revenue, with now more than half of our total revenue comprising cloud.

Underpinning these strong financial results is our market leading, highly differentiated, all-encompassing platform and the expanding global reach of our industry leading go-to-market team. We significantly accelerated the number and size of seven and eight figure deals, further extending our success in large enterprises, where cloud penetration is still well below ten percent. We accelerated our international growth with a record number of deals and new partners in multiple new geographies. We accelerated our digital leadership by gaining massive scale and speed in smart self-service and accelerated our AI superiority with a five-fold increase in AI bookings, quickly transforming NICE from an analytics leader to an AI powerhouse.

Leading edge technology will continue to serve as the foundation for innovations that will revolutionise our lives throughout the 21st century and beyond. We are a technology company that operates in immense and fast-growing addressable markets that are changing the way in which consumers will experience brands throughout the upcoming decade and beyond.

Our unmatched, leading digital cloud platform, CXone, is growing stronger by the day with limitless potential as cloud investments are at an all-time high but penetration is still very low, the need for digital is growing exponentially while next-generation solutions are just emerging, and AI is in mounting demand but still in its infancy.

**Financial and other key performance indicators**

The Company's financial and other key performance indicators during the year were as follows:

Turnover: £57,163k in 2021 (2020: £50,662k)  
Shareholders' funds: £19,202k in 2021 (2020: £16,503k)  
Average number of employees: 83 in 2021 (2020: 85).

Turnover increased by 12.8% during the year. The revenue growth in our Financial Crime and Compliance business segment in 2021 is primarily attributed to additional product revenue and the increased adoption of our cloud platforms X-Sight and Xceed by our customers.

Shareholders' funds grew in the year reflecting the profit gained during the year.

**COVID-19 Update**

Due to the COVID-19 pandemic, we have restricted our employee travel, shifted to work from home in locations around the world and have changed other operating procedures. We have taken and will continue to take certain precautionary actions to minimise impact to our business and our employees. To the extent possible we are taking action to reopen office locations around the world and allow our employees to work in a hybrid work model. In addition, we have and will continue to monitor and take actions to abide with all federal, state and local regulatory requirements. The continued duration and spread of the COVID-19 virus cannot be predicted but we will continue to drive uninterrupted business continuity in our operations while we closely track developments and may take further actions based on regulatory mandates, or that we determine are in the best interests of our employees, customers, partners, suppliers, and shareholders.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Directors' statement of compliance with duty to promote the success of the Company**

The following disclosure describes how the Directors have considered the interests of key stakeholders and the broader matters set out in Section 172(1) (a) to (f) of The Companies Act 2006 ("S172").

***Employees***

*Learning*

Our employees are our greatest asset, driving the innovation that is the hallmark of NICE's solutions. As a result, we place great importance on the development and growth of our employees, with comprehensive programs that nurture the employee's learning, education and career path at NICE. We have a shared responsibility approach to learning and career development: (1) Our employees are proactive, building on their strengths and skills, and following through on internal opportunities to develop themselves (2) Our managers raise the bar, enabling employees to aim higher while aligning their development with the team goals and providing coaching and a supportive environment, and (3) Our organisation drives the culture that encourages employee development and provides the right infrastructure to thrive. Periodic meetings are held to discuss career development steps and actions, specifically to understand the employee's drivers, needs and aspirations and to work together to craft development plans.

*Diversity*

NICE focuses on recruiting top talent globally, placing an emphasis on hiring the best without any prejudice. The recruitment process itself concentrates on the person behind the skills and capabilities, ensuring that candidates from all sectors of society, including minority groups, have a fair and equal chance at being employed at NICE.

We provide an inclusive workspace, a safe environment for women and men of different religions, nationalities, and gender orientations. We celebrate these differences throughout the year, joining each other in marking festivals and holidays such as Chinese New Year, Diwali, Thanksgiving, Pioneer Day, Jewish New Year, International Women's Day, Pride Day and more.

*Employee Engagement Surveys*

NICE undertakes regular employee engagement surveys which allow all employees to provide confidential feedback on their satisfaction with a broad range of topics including employee engagement, career management, employee experience, strategy and execution, leadership and more. The surveys are managed by an external company that specialises in employee engagement surveys.

The results are analysed across multiple dimensions, including business units and roles, in order to understand developments and trends. They provide the Management with insights on our strengths and what our employees value, as well as highlighting areas that require further development and investment. The insights, trends and opportunities are also analysed on a divisional level, to allow more focused and detailed action plans for improvement.

*Employee Benefits*

We care about our employees' health and wellbeing and accordingly offer a wide range of benefits, including comprehensive insurance plans and pension schemes, and free private health insurance for employees as well as discounted insurance for employees' family members. NICE also provides additional benefits related to medical issues including breast cancer screening at our main sites on an annual basis.

Furthermore, NICE cares about employees' day-to-day experience. We offer flexible working hours for employees worldwide recognising the diverse situations and needs of our employees, and encouraging them to spend quality time with their family or enjoy hobbies.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Directors' statement of compliance with duty to promote the success of the Company (continued)**

***Employees (continued)***

We celebrate global and local holidays, and within this framework, employees enjoy various non-salary benefits. NICE places great importance on family life, and a number of the annual events are targeted at NICE employees and their families.

We also hold exciting global competitions and award schemes with noteworthy prizes for our employees.

***Health and Safety***

NICE is committed to providing a safe and healthy work environment for our employees. We have adopted and implemented high standard policies and procedures for maintaining our employees' well-being and safety while they are at work, including through the appointment of representatives responsible for managing the execution of such policies and procedures. In order to minimise safety risks, we require our employees, in addition to contractors which provide services on NICE premises, to familiarise themselves with these policies and procedures by completing a periodical online tutorial.

***Customers***

We recognise that our customers are the key driver for our success and our mission is directed at improving their work and well-being by helping them provide extraordinary and trusted experiences. On this basis, we are committed to supporting our clients at anytime, anywhere, and ensuring that our solutions are adapted to their unique environment, processes, and business and operational goals. For this reason, we establish continuous and transparent communications to understand our customers and continually inform them about the progress of their projects, in accordance with their needs.

Our skilled experts and advanced tools and methodologies, combined with our portfolio of end-to-end services, address all stages of our technologies' life cycle offerings. From project planning and design through implementation, optimisation, proactive maintenance, and product support, we are there for our clients each step of the way.

NICE has always been a company that is focused on improving the experiences of its customers and delivering real, long term value. Standardised on the Net Promoter System (NPS) methodology and best practices, NICE conducts surveys along the full customer journey to monitor customer satisfaction. A sample of the surveys we conduct are:

- The Customer Support Survey which helps us understand customer satisfaction with our solution and how highly they rate NICE team members who provide service in the customer support organisation.
- The Professional Services Survey which assesses customer satisfaction during the implementation phase, that includes NICE business consulting.
- Training Surveys that assess customers' level of satisfaction with NICE's training courses.
- Relationship Surveys that assess brand loyalty and customer satisfaction for decision makers and influencers as well as satisfaction with NICE's products and other services (sales, professional services, support and training).

NICE is open to customer feedback and takes direct action to minimise concerns expressed in surveys and in other forms of feedback.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Directors' statement of compliance with duty to promote the success of the Company (continued)**

***Customers (continued)***

By implementing an on-going closed loop program, NICE further utilises a feedback management system, to raise real-time alerts to business unit leaders and customer-facing staff regarding issues raised on surveys. The resolution of each alert is centrally tracked and managed. Action plans are developed for each business unit that regularly reports on KPI measured improvements for each driver of loyalty. The survey results are continually monitored and analysed. The business units review the results quarterly in business review meetings and share them with the NICE Executive Leadership Team, headed by the CEO.

***Suppliers***

NICE is committed to conducting business in a diverse and ethical manner and this includes our supply chain. Our suppliers are subcontractors and vendors of the following products and services: cloud services, software, telecom, marketing, hardware, facility and rent, human resources and employee experience, finance, legal, sales and travel.

For these suppliers, we are responsible for control mechanisms and supervision over the entire production process.

We are making an active effort to diversify our supply chain by partnering with minority and women-owned businesses which distribute IT equipment, laptops, servers and components, and integration services. We are committed to ensuring that working conditions of all its operations and throughout its supply chain are safe, that all workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically. Therefore, NICE has adopted the Supplier Code of Conduct, which all suppliers must comply with and commit to as part of their engagement.

Through our Supplier Code of Conduct, we require that our suppliers: comply with the laws, rules, and regulations of the countries in which they operate; ensure that their employees and contractors comply with the Code; monitor and, if necessary, report on compliance with the Code; and implement corrective actions to ensure compliance with the Code. In cases of non-compliance with the Code, NICE may terminate any current contract or order.

***Environment***

We believe that maintaining market leadership cannot preclude our commitment to a cleaner and safer world. A major part of this commitment is compliance with standards, regulations and requirements concerning the environmental aspects of our operations and products.

We take full accountability for our environmental impact, by operating with integrity and responsibility in the communities we call our home.

Our environmental strategy is centred on cutting energy use, reducing waste generation, encouraging recycling, and lowering our carbon footprint.

***Our Environmental Policy:***

- Complies with ISO14001, applicable environmental legislation, regulations, and the majority of customer requirements.
- Strives towards prevention and continual reduction of any adverse environmental effects of our activities and products.
- Demonstrates continual improvement in environmental objectives.
- Fosters environmental awareness among NICE personnel by promoting internal communication regarding the environment.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Directors' statement of compliance with duty to promote the success of the Company (continued)**

***Environment (continued)***

*Policy Implementation*

Our environmental management policy and procedures include:

- Environmental aspects evaluation: The evaluation identifies, evaluates and manages our environmental impact. As a result of this evaluation, we identified that energy consumption is the only issue with a medium impact level. Although other evaluated issues presented a low impact level, we still define operational control to decrease our negative impact in these fields.
- Laws and regulation management: A yearly updated checklist raises and evaluates our compliance regarding all environmental requirements.
- Training: Environmental training is part of our onboarding process and it covers reporting of environmental issues, waste segregation, recycling and water, energy, and fuel saving.
- Responsibility: Most environmental responsibilities (energy, waste) fall under NICE's VP of Operations and CIO.
- Audit: Annually performed by an independent auditor to evaluate our environmental management policy and procedures. It indicates improvement opportunities that we address.
- Management reviews: Environmental Management policy and procedures results are annually presented to the senior management to receive advice and define the next steps.

*Energy and Climate Change*

Global warming and climate change are the foremost environmental challenge facing the world today. As a leading global hi-tech company, NICE acknowledges the importance of environmental responsibility in its daily activities and has therefore implemented appropriate measures, including tracking its corporate carbon footprint and producing a detailed report. NICE has been submitting a climate change questionnaire to the CDP since 2018. (Further details can be found below in the SECR section).

*Materials and Waste*

Focusing on our environmental policy commitment of prevention and continuous reduction of any adverse environmental effects from our activities and products, we are acting to avoid the use of hazardous substances and to reduce the potential impact of electronic waste related to our activity.

We have been in compliance with the European Union Restrictions on the Use of Hazardous Substances (RoHS) Directive since 2006. None of our electronics use materials such as lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE). We further adhere to the EU Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Directive which requires us to manage risks and provide safety information of all chemicals found in our products.

Although our products' hardware manufacturing is minimal, we have adopted responsible end-of-life policies for the applicable products to ensure ease of dismantling, removal of hazardous materials and participation in take-back schemes with hardware manufacturers. In Europe, all electrical and electronic equipment used in our operations and clients' operations are disposed of by complying with the Waste from Electrical and Electronic Equipment (WEEE) Directive of the EU. In this context, we support the collection, disassembly and recycling of replaced or retired client equipment. This compliance is registered in the UK, France, and Germany, where we have a legal presence, or from where we import electronic equipment. In these countries, we have recycled all client equipment since 2005 through expert WEEE-certified companies. For other EU countries, we employ partners to ensure compliance.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Directors' statement of compliance with duty to promote the success of the Company (continued)**

***Community***

At NICE we believe in leveraging our strengths to benefit our local communities: sharing our knowledge, expertise, capabilities, and investing time in giving back to the communities in which we operate. The best way to contribute is through a close alignment between our business and community relationship strategies. In this context, the two main pillars of our strategy are sharing software knowledge and promoting diversity in high-tech companies. Support of the community is also expressed in donations to social and welfare services (food, medicine, hygiene products) and in financial support of different institutions (educational, sports, and institutions for the elderly).

Part of our donations are promoted at our annual user conference, "Interactions". In this event, we partner with charitable organisations to acknowledge them and to support a worthy cause. A portion of each attendee's registration fee goes to the charity chosen for that year. We also like to give back by sponsoring events throughout the year.

We encourage our employees to volunteer on a regular basis and for specific causes. In this context we have a structured program that includes building partnerships with organisations, providing guidance on volunteering opportunities, and rules of behaviour and evaluation of volunteer activities. Every May, we carry out our flagship global volunteer program, whereby NICErs around the world act and volunteer in a wide range of organisations and non-profits for a variety of causes, such as senior citizens, people with disabilities and animals. Global Community Month is a clear reflection of our belief that the strength and leadership of our business and core values should be leveraged to make a positive impact on the communities in which we operate. This annual cross-company program for NICE employees provides opportunities for local volunteering, promotes our One NICE spirit, and demonstrates our belief in giving back to the community.

We employ a community manager specialist in the headquarters to manage global community programs. The manager can be contacted via e-mail and the contacts section of the NICE website to ask for support, communicate grievances and make suggestions.

It is important to highlight that, as a software company, we do not see ourselves as having any direct negative impact on local communities.

For more detail the full Environmental, Social and Governance (ESG) report can be found on NICE's website.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Financial Crime and Compliance Business Strategy and future developments**

Our long-term strategy is to further strengthen our leadership position in the Customer Engagement market segments, as well as to further enhance our position in adjacent markets.

In our Financial Crime and Compliance business, we will continue to build our leadership with the full launch of X-sight to take our enterprise offering and market to the cloud, and we will further enhance Xceed to be the best mid-market suite. We will leverage the massive digital banking transformation to enlarge our addressable market, by launching new solutions, re-positioning NICE as the leader for managing risk in the digital banking era.

*Empowering organisations to lead by adapting to change*

We intend to continue leading the market by leveraging several major industry trends and evolving our offering to meet our customers' current and future needs while focusing on key strategic pillars:

- Cloud Foundation – we provide cloud-native open platforms for our Customer Engagement and Financial Crime and Compliance offerings. This allows our customers to facilitate adoption of cloud infrastructure to accelerate innovation and reduce integration, implementation and operational efforts.
- Digital - we enable businesses to deliver digital-first omnichannel experiences, responding to consumer needs on their preferred channel of choice wherever their experience journey begins, including the ability to service customers across multiple digital channels, provide secure digital banking and help public safety organisations shift to digital interaction and digital evidence environments.
- AI – we accelerate business transformation with AI-embedded natively across our platforms, making our applications and business processes smarter. Our domain expertise, advanced technology, and pre-built AI models create industry-leading solutions for all our market segments.
- Data - recognising the power of data, we consider data as a key component and a strategic asset across our portfolio and leverage it for creating frictionless experiences for consumers. We manage our customer data with security and compliance measures while leveraging it to operationalise data insights, to equip our customers with a data-driven approach to manage their business, improve performance and identify customer insights.

*Strengthening our market leadership*

Our brand, global reach, financial resources, extensive domain expertise and ability to deliver a wide array of solutions for large, as well as small and mid-sized organisations, will further anchor our market-leading position.

We plan to continue to develop our open cloud platforms for the Customer Engagement and Financial Crime and Compliance markets to enable unified integrated solutions that offer fast innovation and quick time to value. These platforms allow us to deepen our direct relationships with our customers, nurture our partner ecosystem and create new growth opportunities.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Financial Crime and Compliance Business Strategy and future developments (continued)**

In our Financial Crime and Compliance business, we will continue to expand our offerings across market segments by providing new and enhanced solutions that protect financial services organisations and their customers earlier in the customer lifecycle and by infusing more AI across our portfolio of solutions. With our X-Sight cloud platform, we provide open, scalable and flexible solutions with the broad financial crime and compliance coverage to the top tier of the market. We launched X-Sight DataIQ, which orchestrates the aggregation of data from multiple sources, delivering real-time accurate customer intelligence. Continued innovations on X-Sight will further cement our leading market position. With Xceed, we provide fully packaged anti-money laundering (AML) and fraud coverage and solutions to the mid-market, enabling smaller organisations to realise greater protection with quick time to value. Xceed is expected to enable further growth with mid-market financial institutions. In the Financial Crime and Compliance business, our solutions are infused with Always on AI, our multi-layered approach that injects AI, machine learning, automation, natural language processing and other advanced technologies throughout the financial crime and compliance value chain. This allows financial services organisations to merge innovative and patented technologies to seamlessly connect data and apply AI to turn raw data into financial crime intelligence to fuel analytic precision and detect and prevent financial crimes. These offerings enable us to add value to our existing customers, as well as expand our reach and open-up new opportunities, considerably increasing our total addressable market.

*Help our customers transform to the cloud*

Our leading cloud platforms and domain expertise, along with our flexible maturity models, enable our customers to adopt cloud solutions and migrate to the cloud at the pace that matches their needs and preferences.

To support all of our customers and the different pace of their cloudification migration, we intend to continue offering our solutions in a variety of delivery models, which enable us to be flexible in effectively addressing our customers' needs.

*Continuing to offer our full solutions portfolio to our existing customer base*

One of our main assets is our growing customer base. We believe there are many opportunities to expand, up-sell and cross-sell within our existing customer base. This includes increasing our customers' exposure to the full breadth of our portfolio. We continue to provide our customers with new benefits by expanding the offering they already use, adding new products and migrating our customers to the cloud.

*Continuing organic innovation and development, while also pursuing acquisitions*

We intend to continue investing in innovation and development and continue to augment our organic growth with additional acquisitions that will broaden our product and technology portfolio, expand our presence in selected verticals, adjacent markets and geographic areas, broaden our customer base, and increase our distribution channels.

*Maximising the synergies across our businesses*

At NICE, we value and promote a synergetic approach to our platforms and solutions. We will continue leveraging the fact that many of our solutions are based on common cloud architectures as well as on methodology of capturing and analysing massive amounts of structured and unstructured data, providing real-time insight and driving process automation. Maximising these synergies and cooperation between our business areas is a key pillar of our corporate strategy. We have several joint offerings across our business segments and combined go-to-market efforts. We will continue leveraging our extensive complementary domain expertise, technological know-how, capabilities and development, in order to grow our business through additional cross-sell and up-sell opportunities.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Financial Crime and Compliance Business Strategy**

We plan to continue extending our market leading position and our addressable market, while further supporting the move to the cloud by financial institutions. We also plan to leverage our capabilities to facilitate both better financial crime protection and help our customers realise significant cost reductions. We intend to achieve this by focusing on:

- Delivering integrated Financial Crime and Compliance solutions that help financial services organisations identify risks faster and earlier throughout all phases of the customer lifecycle.
- Expanding our market reach within the mid-tier banks and financial institutions with our Xceed native cloud and AI platform, which provides AML and Fraud solutions in a packaged SaaS offering to smaller organisations, enabling them to benefit from the capabilities previously only afforded to large organisations.
- Expanding X-Sight, our cloud-native AI platform and solutions for the top tiers of the market to further strengthen and grow our market leadership position. X-Sight combines data and analytics agility and provides us the ability to cross-sell solutions. Our cloud platform leverages data, AI, machine learning, advanced automation, and other technologies to help customers reduce the cost of operations, while increasing their adherence to compliance and preventing financial crime.
- Expanding X-Sight AI, our data driven, machine learning, analytics managed service or do-it-yourself environment to help further optimise analytic models and develop new analytics by leveraging insights from our market-wide view of transactions and known fraud and regulatory compliance issues.
- Offering X-Sight DataIQ, our orchestration and aggregation engine that seamlessly connects to multiple premium and public data sources, turning raw data into the data intelligence to fight financial crimes.
- Expanding the X-Sight Marketplace, an ecosystem of innovative third-party partners where our customers can select complementary offerings to extend our platforms and products.
- Offering our solutions to verticals outside of the traditional financial services, such as technology, gaming, energy, insurance, industry regulators, government agencies, as well as to fintech and alternative payments providers.
- Continuing to cross-sell and up-sell into our existing customer base around the world.
- Expanding our sales channels with world-class systems integrators, consultancies, core banking providers, and other regional reseller firms to identify additional significant opportunities.
- Increasingly selling holistic solutions, combining Financial Crime and Compliance offerings with Customer Engagement offerings.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Industry and Technology Trends**

Following are the key cross-industry trends that we have identified as driving demand for our solutions:

- Organisations of all sizes are transitioning to open cloud platforms as the foundation for their applications to allow quick innovation cycles and business agility
- Open cloud platforms are being adopted by organisations in order to enable seamless customisations and pre-built integrations.
- Consumers from all generations are embracing digital at an exponential pace and prefer digital interactions. In order to remain competitive and meet consumer expectations, organisations need to provide customers with various digital means by which they prefer to interact with the organisation.
- Artificial Intelligence and Automation are disrupting businesses across all industries.

Financial Crime and Compliance trends that are driving demand for our solutions:

- The need to embed risk management controls into digital first strategies.
- Preventing financial crime and ensuring stringent compliance with evolving regulatory environments.
- An unpredictable threat landscape environment.
- An increasing need to control cost of compliance.
- Financial institutions seek a single platform that aggregates and analyses financial crime-related risk in one place
- Process automation and machine learning are increasingly used to automate financial investigation tasks where it may not be necessary to have as much human involvement.
- Financial institutions are being disrupted by digital players providing improved experiences and more personalised products and services.

**Principal risks and uncertainties**

*The markets in which we operate are highly competitive and we may be unable to compete successfully.*

The markets for our products, solutions and related services are, in general, highly competitive. Our competitors include a number of large, established software development vendors. Some of our principal competitors or potential competitors may have advantages over us, including greater resources, a broader portfolio of products, applications and services, greater brand recognition, larger patent and intellectual property portfolios and access to a larger customer base. These potential advantages would enable our competitors to better adapt to new market trends, emerging technologies or customer requirements or devote more resources to the marketing and sale of their products and services.

Additional competition from new potential entrants to our markets, including new technology vendors competing in specific areas of our business, may lead to the widespread availability and standardisation of some of the products and services we provide, which could result in the commoditisation of our products and services, reduce the demand for our products and services and drive us to lower our prices.

*We may not be successful in our Cloud Software-as-a-Service business.*

Our cloud-based business has grown significantly, and therefore we are more dependent now on the success of this area of our business. If we are not able to compete effectively, generate significant revenues or maintain the profitability of our cloud business, or if we do not successfully execute our cloud strategy or anticipate the needs of our customers, including in relation to the pace of adoption of cloud-based solutions by large enterprises, our revenues could decline and our reputation may be adversely affected.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Principal risks and uncertainties (continued)**

*Our inability to respond to the rapid technological changes and frequent new products and service introductions in the markets in which we operate.*

We operate in several markets, each characterised by rapidly changing technology, new product introductions and evolving industry standards. The introduction of products and services embodying new technology and the emergence of new industry standards might exert price pressures on our offerings or render them obsolete. Our markets are also characterised by consistent demand for state-of-the-art technology and products. Existing and potential competitors might introduce new and enhanced products and services that could adversely affect the competitive position of our offerings.

We believe that our ability to anticipate changes in technology and industry standards and to successfully develop and introduce new, enhanced and differentiated products and services, on a timely basis, in each of the markets in which we operate, is a critical factor in our ability to grow our business. As a result, we expect to continue to make significant expenditures on research and development, particularly with respect to new software applications, which are continuously required in all our business areas. In the event that we do not anticipate changes in technology or industry practices or fail to timely address market needs or not be able to provide the products and services that are in demand, or should customer adoption of new technologies be slower than we anticipate, we may lose market share and our results of operations may be materially adversely affected.

*Conditions and changes in the local and global economic environments may adversely affect our business and financial results.*

Adverse economic conditions in markets or regions in which we operate can harm our business. Our results of operations can be affected by adverse changes in local and global economic conditions, slowdowns, recessions and economic instability. To the extent that our business suffers as a result of such unfavourable economic and market conditions our operating results may be materially adversely affected. In particular, enterprises may reduce spending in connection with their contact centres, financial institutions may reduce spending in relation to trading floors and operational risk management (as IT-related capital expenditures are typically lower priority in times of economic slowdowns), and our customers may prioritise other expenditures over our solutions. In addition, enterprises' ordering and payment patterns are influenced by market conditions and could cause fluctuations in our quarterly results. If any of the above occurs, and our customers or partners significantly reduce their spending or significantly delay or fail to make payments to us, our business, results of operations, and financial condition would be materially adversely affected.

In addition, our operations may be subject to the effects of the rising rate of inflation. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Disruption to the global economy could also result in a number of follow-on effects in addition to a slow-down in our business and increased costs, including a possible (i) negative impact on our liquidity, financial condition and share price, which may impact our ability to raise capital in the market, obtain financing and secure other sources of funding in the future on terms favourable to us, and (ii) decrease in the value of our assets that are deemed to be other than temporary, which may result in impairment losses.

*Geopolitical risks*

Geopolitical risks including those arising from political tension, terrorist activity or acts of civil or international hostility, are increasing. For instance, military conflict resulting from the Russian invasion of Ukraine, could result in geopolitical instability and adversely affect the global economy or specific markets. Such geopolitical risks could also lead to prolonged and significant supply chain disruption that may impact our customers, which could impact the demand for our products or services, and negatively affect our business and financial results.

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**ACTIMIZE UK LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Principal risks and uncertainties (continued)**

*Our business, facilities or operations could be adversely affected by events outside of our control, such as natural disasters or health epidemics.*

Natural disasters or other unexpected events that adversely affect the business climate in any of our markets could have a material adverse effect on our business, financial condition and results of operations. Our business operations may be subject to interruption by natural disasters, fire, power shortages, telecommunications failures, pandemics and epidemics and other events beyond our control. Although we maintain disaster recovery and business continuity plans, such events could make it difficult or impossible for us to deliver our products and services to our customers, and could decrease the demand for our offerings.

The novel coronavirus (COVID-19) pandemic is continuing to impact our mode of operation, as well as the mode of operation of our customers, including the possible impact on our customers' buying decisions and sale cycles. At this time, the extent and duration of the continued impact of the pandemic is unknown, and therefore we cannot predict how it may affect our future business, results of operations, financial condition and strategic plans.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
E9678AE3E6214BD...  
**S L Joyce-Phillips**  
Director

Date: September 28, 2022

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## **ACTIMIZE UK LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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

#### **Directors' responsibilities statement**

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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activity**

The Company's main activity is to market, distribute, service and maintain products and solutions, within its jurisdictions, for the Financial Crime & Compliance markets.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,713,053 (2020: £1,880,172).

The Directors do not propose the payment of a final dividend (2020: £nil).

#### **Directors**

The Directors who served during the year and to the date of this report, unless otherwise stated, were:

D Rhodes (resigned 14 February 2022)  
S L Joyce-Phillips (appointed 14 February 2022)  
D J Rushworth (appointed 21 April 2022)

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## **ACTIMIZE UK LIMITED**

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### **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Streamlined Energy and Carbon Reporting (SECR)**

NICE prides itself on being fully committed to minimizing our environmental impact and holds itself accountable for operating with integrity and responsibility in the communities we call home. We comply with the standards, regulations and requirements concerning the environmental aspects of our operations and products. We believe that maintaining market leadership cannot preclude corporate commitment to a cleaner and safer world.

#### **Our Policy**

At NICE we have an ongoing commitment to improving our operations in order to help cut energy use, reduce the use of plastic and generation of waste, encourage recycling, and lower our carbon footprint.

Our goal is to increase the awareness of the need to preserve the environments in which we operate and to minimize any environmental impact from our activities and products.

In coordination with our quality management policy, we are committed to:

- Complying with ISO14001, applicable environmental legislation, regulations and the majority of customer requirements;
- Striving towards prevention and continual reduction of any adverse environmental effects from our activities and products;
- Demonstrating continual improvement of environmental objectives and fostering environmental awareness among NICE personnel and promoting internal communication of this policy.

#### **How Our Policy is Implemented**

- Monitoring of energy use through BMS (Building Management System), in addition to monitoring of energy efficiency on an ad-hock basis through an external auditor;
- Environmental Training: All New hires are provided environmental training;
- All Electric and Electronic equipment is disposed of by complying with WEEE Directive in the EU and local directives in all other jurisdictions, in addition to waste management and monitoring in our facilities;
- The majority of data centres we currently use have reported on using renewable energy and applicable target setting. We have also received an exemption from reporting our electronic waste under Israeli regulation due to minimal amounts of e-waste (below 1 ton);
- Suppliers are contractually obligated to comply with our Supplier Code of Conduct which includes environmental related commitments. Critical suppliers undergo an initial due diligence questionnaire, annual monitoring and audits.

#### **Carbon Footprint Report**

As a leading global hi-tech company, NICE acknowledges the importance of environmental responsibility in its daily operations.

Global warming and climate change are the foremost environmental challenges facing the world today and NICE realises the first step in tackling these issues is by calculating the corporate carbon footprint.

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**ACTIMIZE UK LIMITED**

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**DIRECTOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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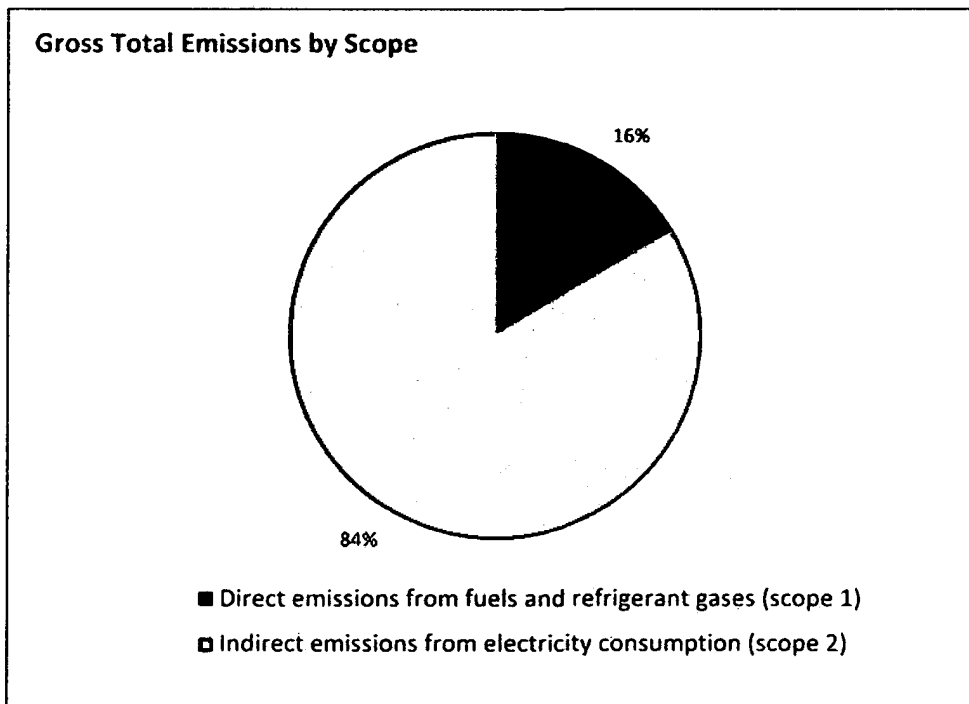
**Streamlined Energy and Carbon Reporting (SECR) (continued)**

A report prepared by ECO traders Ltd on the corporate carbon footprint for the company's operations in 2018 was published in July 2019.

**Key Findings**

NICE's total emissions were 10,058 tCO<sub>2</sub>e, which amounts to 6.96 kg CO<sub>2</sub>e / Million USD of revenue or 1.83 tCO<sub>2</sub>e per full time equivalent (FTE) employee. In 2018, the energy expenses accounted for only 0.3% of NICE's total operational expense.

Only 16% of NICE's total emissions were caused by direct emissions while the remaining emissions were caused by NICE's electricity consumption:



Of the company's direct emissions, the vast majority were caused by fuel consumption in company vehicles (85%), with the remainder were caused primarily by the release of refrigerant gases during maintenance of the company's chillers (HVAC equipment). Fuel consumption in emergency generators owned and operated by the company were negligible (0.02%):

**Scope 1 Emissions**

Scope 1 emissions refer to direct GHG emissions which occur from sources that are owned or controlled by the company. The main sources of direct emissions in NICE's UK operations are from the maintenance of chillers

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**ACTIMIZE UK LIMITED**


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**DIRECTOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**Streamlined Energy and Carbon Reporting (SECR) (continued)**

During periodic maintenance of chillers, refrigerant gases can escape from the chiller systems; in addition, the gases can leak out over time. According to international best practice in terms of GHG accounting, it is assumed that the quantity of gas that was emitted from existing chillers in a given year is equal to the quantity of gas added to the systems during periodic maintenance during that year.

NICE has operational control of the chillers at the Ra'anana site in Israel and at the London site in England. During periodic maintenance of chillers in 2018, HFC gas were added to the chillers, causing emissions of 247.6 tCO<sub>2</sub>e:

Site	Amount of gas filled (kg)	Gas type	GWP (tCO <sub>2</sub> e/kg)	Emissions (tCO <sub>2</sub> e)	Source
London	15	R410A	2.088	31.32	EnviroAir

It is important to note that at the vast majority of NICE sites, NICE does not have operational control over the maintenance of the chillers. As NICE leases office space, this generally falls under the property manager's responsibility.

**Scope 2 Emissions**

Scope 2 accounts for indirect GHG emissions from consumption of purchased electricity, heat or steam. As NICE does not purchase heat or steam, the company's scope 2 emissions are from purchased electricity only.

The estimated total electricity consumption was 15,793,169 kWh, 15,566,305 kWh of which are covered in the carbon footprint assessment (98.6%).

**Market vs. location based**

Calculating scope 2 emissions requires a method of determining the emissions associated with electricity consumption. Two primary methods can be used in order to account for the emissions from electricity consumption: location-based and market-based methods.

The location-based method involves to quantifying scope 2 emissions based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries, during a defined time period.

The market-based method involves quantifying the scope 2 emissions based on GHG emissions emitted by the generators from which the company contractually purchases electricity.

In accordance with the GHG Protocol standard, emissions must be calculated using **both** methods, as long as at least one of the company sites is located in an area in which it can purchase electricity through contractual instruments – even if it does not do so in practice.

As such, in this report emissions from electricity consumption were calculated using both the location-based and the market-based methods.

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**ACTIMIZE UK LIMITED**


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**DIRECTOR'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**Streamlined Energy and Carbon Reporting (SECR) (continued)**

For the market-based method, emissions were calculated by using the emission factor of the electricity companies or the residual mix where publicly available; for all other sites the market-based emissions factor was assumed to be identical to the location-based factors, in accordance with the instructions of the GHG Protocol. The residual mix emission factor represents the average emission factor of electricity that remains after electricity purchases by other consumers in the market.

**Emissions from electricity consumption**

As previously noted, this assessment includes emissions from an estimated 98.6% of the electricity consumed by NICE, amounting to a total of 15,566,305 kWh emitting 8,256 – 8,430 tCO<sub>2</sub>e, which includes emissions from the UK sites as follows:

Scope 2 emissions		Location-based		Market-based	
Southampton	135,239.63	0.000283	38.28	0.00031	41.92
London QVS	467,969	0.000283	132.47	0.000283	132.47

**Data accuracy and data gaps**

NICE rents office space at numerous sites around the world. In some sites, electricity is included in the fixed monthly payment and is therefore not monitored directly.

For these sites, the electricity consumption was estimated based on the previous year (London site), or based on an average consumption per employee for similar sites.

Electricity consumption was directly monitored for the Southampton site.

In order to assess the impact of the consumption estimation on the total level of uncertainty in the GHG emissions calculation, emissions were recalculated by estimating consumption at sites in which it was not monitored directly based on the minimum and maximum consumption per employee at those sites in which electricity was monitored. This led to an uncertainty range of between 5% and 10%.

The full Corporate Carbon Footprint report including the methodologies used can be found on NICE's website.

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**ACTIMIZE UK LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Qualifying third party indemnity provisions**

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report. No claim or notice of claim in respect of these indemnities has been received in the period.

**Matters covered in the Strategic Report**

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report. These matters relate to future developments, stakeholder engagement and research and development activities.

**Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Going concern**

The Directors, at the time of approving the financial statements, have considered the operating budget and forecast for a period of twelve months and has determined there is a reasonable expectation that the group has adequate resources to continue to support the Company for the foreseeable future. The Company is dependent on its ultimate parent company, NICE Limited, and the directors of that company have expressed a willingness to support the Company for a period of at least twelve months following the signing of these financial statements.

Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

**Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:  
  
E9678AE3E6214BD...  
**S L Joyce-Phillips**  
Director

Date: September 28, 2022

## **ACTIMIZE UK LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIMIZE UK LIMITED**

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#### **Opinion**

We have audited the financial statements of Actimize UK Limited (the 'Company') for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

#### **Other information**

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

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**ACTIMIZE UK LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIMIZE UK LIMITED**

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

We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

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## **ACTIMIZE UK LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIMIZE UK LIMITED**

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#### **Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, WEEE regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

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**ACTIMIZE UK LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIMIZE UK LIMITED**

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In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the bad debt provision and share-based payment expenses, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:


- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

**Use of the audit report**

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

  
Lesley Fox (Sep 29, 2022 16:12 GMT+1)

Lesley Fox (Senior statutory auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants & Statutory Auditor

5th Floor, Merck House  
Seldown Lane  
Poole  
Dorset  
BH15 1TW

Date: Sep 29, 2022

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**ACTIMIZE UK LIMITED**


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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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	Note	2021 £	2020 £
Turnover	4	57,162,946	50,662,279
Cost of sales		(43,305,325)	(39,049,731)
<b>Gross profit</b>		<u>13,857,621</u>	<u>11,612,548</u>
Administrative expenses		(11,856,918)	(9,839,369)
<b>Operating profit</b>	5	2,000,703	1,773,179
Interest receivable and similar income	9	-	503
Interest payable and similar expenses	10	(2,065)	-
<b>Profit before tax</b>		<u>1,998,638</u>	<u>1,773,682</u>
Tax on profit	11	(285,585)	106,490
<b>Profit for the financial year</b>		<u><u>1,713,053</u></u>	<u><u>1,880,172</u></u>

The Profit and Loss Account has been prepared on the basis that all operations are continuing operations.

There was no other comprehensive income for 2021 (2020: £nil).

The notes on pages 27 to 42 form part of these financial statements.

**ACTIMIZE UK LIMITED**  
**REGISTERED NUMBER: 05135139**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	17,876	1,551
		<u>17,876</u>	<u>1,551</u>
<b>Current assets</b>			
Stocks	13	-	937,063
Debtors: amounts falling due after more than one year	14	2,186	-
Debtors: amounts falling due within one year	14	36,068,833	42,854,706
Cash at bank and in hand	15	16,044,363	1,112,462
		<u>52,115,382</u>	<u>44,904,231</u>
Creditors: amounts falling due within one year	16	(32,829,562)	(28,179,351)
<b>Net current assets</b>		<u>19,285,820</u>	<u>16,724,880</u>
<b>Total assets less current liabilities</b>		<u>19,303,696</u>	<u>16,726,431</u>
<b>Provisions for liabilities</b>			
Other provisions	18	(101,718)	(223,707)
		<u>(101,718)</u>	<u>(223,707)</u>
<b>Net assets</b>		<u><u>19,201,978</u></u>	<u><u>16,502,724</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	100	100
Profit and loss account	20	19,201,878	16,502,624
<b>Total equity</b>		<u><u>19,201,978</u></u>	<u><u>16,502,724</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
E9678AE3E62148D...  
**S L Joyce-Phillips**  
 Director

Date: September 28, 2022

The notes on pages 27 to 42 form part of these financial statements.

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**ACTIMIZE UK LIMITED**


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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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	Called up share capital	Profit and loss account	Total equity
	£	£	£
<b>At 1 January 2020</b>	100	14,054,909	14,055,009
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,880,172	1,880,172
<b>Total comprehensive income for the year</b>	-	1,880,172	1,880,172
Share-based payments	-	567,543	567,543
<b>At 1 January 2021</b>	100	16,502,624	16,502,724
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,713,053	1,713,053
<b>Total comprehensive income for the year</b>	-	1,713,053	1,713,053
Share-based payments	-	986,201	986,201
<b>At 31 December 2021</b>	100	19,201,878	19,201,978

The notes on pages 27 to 42 form part of these financial statements.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

Actimize UK Limited is a private company limited by shares and incorporated in England and Wales, registration number 05135139. The address of its registered office is Tollbar House, Tollbar Way, Southampton, Hampshire, SO30 2ZP.

The Company's main activity is to market, distribute, service and maintain products and solutions, within its jurisdictions, for the Financial Crime & Compliance markets

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The financial statements are presented in GBP which is the currency of the primary economic environment in which the Company operates and are rounded to the nearest Pound.

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of NICE Limited as at 31 December 2021 and these financial statements may be obtained from 22 Zarchin Street, Ra'anana, Israel 43101.

**2.3 Going concern**

The Directors, at the time of approving the financial statements, have considered the operating budget and forecast for a period of twelve months and have determined there is a reasonable expectation that the group has adequate resources to continue to support the Company for the foreseeable future. The Company is dependent on its ultimate parent company, NICE Limited, and the directors of that company have expressed a willingness to support the Company for a period of at least twelve months following the signing of these financial statements.

Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.4 Turnover**

The Company generates revenues from sales of software products, services and cloud, which include software license, SaaS and network connectivity, hosting, support and maintenance, implementation, configuration, project management, consulting and training. The Company sells its products directly through its sales force and indirectly through a global network of distributors, system integrators and strategic partners, all of whom are considered end-users.

The Company identifies a contract with a customer and the performance obligations in the contract, determines the transaction price, allocates the transaction price to each performance obligation in the contract and recognises revenues when (or as) the Company satisfies a performance obligation.

Revenue is measured based on the consideration specified in a contract with a customer, excluding taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer. The Company enters into contracts that can include various combinations of products and services, which are generally capable of being distinct and accounted for as separate performance obligations.

The Company allocates the transaction price to each performance obligation identified based on its relative standalone selling price ("SSP") out of the total consideration of the contract. The Company determines SSP based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions. The Company estimates the SSP taking into account available information such as geographic or regional specific factors, internal costs, profit objectives, and internally approved pricing guidelines related to the performance obligation. For product where the SSP cannot be determined based on observable prices, given the same products are sold for a broad range of amounts (that is, the selling price is highly variable), the SSP included in a contract with multiple performance obligations is determined by applying a residual approach whereby all other performance obligations within a contract are first allocated a portion of the transaction price based upon their respective SSPs, with any residual amount of transaction price allocated to these product revenues.

Revenue is recognised at the time the related performance obligation is satisfied by transferring the promised product or service to the customer. Software license revenues are recognised at the point in time when the software license has been delivered and the benefit of the asset has transferred.

Support and maintenance service revenues are recognised ratably over the term of the underlying maintenance contract term. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised ratably over the period of the renewal.

Revenues from professional services are recognised as services are performed.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)****2.4 Turnover (continued)**

The Company's SaaS offerings provide customers access to certain of its software within a cloud-based IT environment on a subscription basis, and may also include network connectivity services over the Company's network or through third party network connectivity providers on a usage basis. Because such offerings do not grant customers the right to take possession of the software, the Company considers these arrangements to be service contracts. In addition, the Company also derives revenue from professional services included in implementing or improving a customer's cloud software solutions experience.

Revenues for SaaS offerings are recognised ratably over the contract term or based on actual usage, commencing with the date the service is made available to the customers. Revenue from the network connectivity usage is derived based on customer specific rate plans and call usage and is recognised in the period the call is initiated. Upfront fees related to professional services that are interdependent with SaaS are not considered distinct. These services are considered a material right and as such are deferred and recognised over the estimated life of the customer.

Payment terms and conditions vary by contract type. In instances where the timing of revenue recognition differs from the timing of invoicing, the Company determines its contracts generally to not include a significant financing component since the Company's selling prices are not subjected to billing terms nor is its purpose to receive financing from its customers or to provide customers with financing.

**2.5 Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful life.

Depreciation is provided on the following bases:

Fixtures & fittings	-	10% straight line
Computer equipment	-	33% straight line

**2.6 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost included all direct costs and an appropriate proportion of fixed and variable overheads.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.8 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentation currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.11 Interest payable and similar expenses**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.12 Share based payments - Equity settled transactions**

The cost of equity settled transactions with employees is measured by reference to fair value at the date of which they are granted and is recognised as an expense over the vesting periods, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by an external valuer, using 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 the Company (market conditions).

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

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions number of equity instruments that will ultimately vest, or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expenses since the previous balance sheet date is recognised in the Profit and Loss Account, with the corresponding entry in equity.

Where the terms of the equity-settled transaction are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

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 Profit and Loss Account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the Profit and Loss Account.

**2.13 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.14 Interest receivable and similar income**

Interest income is recognised in profit or loss using the effective interest method.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.15 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.16 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

**2.17 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The Company's significant accounting policies are stated in note 2. Not all of these significant policies require the management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgement and estimation involved in their application and their impact on these financial statements.

Judgements and estimates are reviewed on an ongoing basis and actual results may differ from these estimates. The areas involving a higher degree of judgements or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

**3.1 Critical judgements in applying the Company's accounting policies**

*Allowance for doubtful debts*

The Company performs ongoing credit evaluations of its customers and insures certain of its receivables with a credit insurance company. An allowance for doubtful accounts is provided, based on the length of time the receivables are past due.

**3.2 Key sources of estimation uncertainty**

*Share-based payments*

Share-based compensation cost is estimated at the grant date based on the fair value of the award and is recognised as expense ratably over the requisite period of the award. We estimate the fair value of stock options granted using the Black-Scholes-Merton option-pricing model and value restricted stock based on the market value of the underlying shares at the date of grant. We recognise compensation costs using the graded vesting attribution method that results in an accelerated recognition of compensation costs.

The fair value of an award is affected by our stock price on the date of grant and other assumptions including the estimated volatility of our stock price over the term of the awards and the estimated period of time that we expect employees to hold their stock options. Share-based compensation expense recognised in our financial statements was reduced for estimated forfeitures.

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**4. Turnover**

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Product revenue	16,761,669	5,654,111
Service revenue	12,844,291	15,985,769
Maintenance revenue	21,536,526	24,005,006
Cloud revenue	6,020,460	5,017,393
	<u>57,162,946</u>	<u>50,662,279</u>

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	20,139,084	16,986,747
Rest of Europe	22,390,308	17,094,765
Rest of the world	14,633,554	16,580,767
	<u>57,162,946</u>	<u>50,662,279</u>

**5. Operating profit**

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	12,342	2,697
Exchange differences	754,450	(5,598)
Research and development charged as an expense	134,636	197,377
	<u>881,428</u>	<u>194,476</u>

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**6. Auditor's remuneration**

	<b>2021</b>	<b>2020</b>
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	33,500	32,000
	<u>33,500</u>	<u>32,000</u>
<b>Fees payable to the Company's auditor in respect of:</b>		
Taxation compliance services	6,300	6,000
All other non-audit services not included above	3,550	3,550
	<u>9,850</u>	<u>9,550</u>

**7. Staff costs**

Staff costs were as follows:

	<b>2021</b>	<b>2020</b>
	£	£
Wages and salaries	12,816,615	10,569,014
Social security costs	1,533,988	1,306,407
Cost of defined contribution scheme	363,599	364,370
	<u>14,714,202</u>	<u>12,239,791</u>

The average monthly number of employees, including the Directors, during the year was as follows:

	<b>2021</b>	<b>2020</b>
	No.	No.
Administration	4	3
Professional services	47	50
Sales and marketing	30	30
Research and development	2	2
	<u>83</u>	<u>85</u>

**8. Directors' remuneration**

The Directors' services to the Company did not occupy a significant amount of their time. As such, the Directors do not consider that they received any remuneration for their incidental services to the Company for the year ended 31 December 2021 or 31 December 2020.

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**9. Interest receivable and similar income**

	2021 £	2020 £
Other interest	-	503
	<u>          </u>	<u>          </u>

**10. Interest payable and similar expenses**

	2021 £	2020 £
Other interest payable	2,065	-
	<u>          </u>	<u>          </u>

**11. Taxation**

	2021 £	2020 £
Corporation tax - current year	118,837	2,586
Adjustments in respect of previous periods	248,013	-
Double taxation relief	(132,837)	-
	<u>234,013</u>	<u>2,586</u>
Foreign tax on income for the year	269,527	-
<b>Total current tax</b>	<u>503,540</u>	<u>2,586</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(129,298)	(109,076)
Adjustments in respect of prior periods	(31)	-
Effect of tax rate change on opening balance	(88,626)	-
<b>Total deferred tax</b>	<u>(217,955)</u>	<u>(109,076)</u>
<b>Taxation on profit on ordinary activities</b>	<u>285,585</u>	<u>(106,490)</u>

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**11. Taxation (continued)****Factors affecting tax charge/(credit) for the year**

The tax assessed for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	1,998,638	1,773,682
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	379,741	337,000
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	964	2,064
Capital allowances for year in excess of depreciation	-	(1,411)
Adjustments to tax charge in respect of prior periods	248,013	2,586
Short term timing difference leading to an increase (decrease) in taxation	(117,302)	(109,076)
Adjustments to tax charge in respect of previous periods - deferred tax	(31)	-
Double taxation relief	136,690	(220,736)
Remeasurement of deferred tax for changes in tax rates	(119,657)	-
Share based payment adjustment	(242,833)	(112,648)
Group relief	-	(4,269)
<b>Total tax charge/(credit) for the year</b>	<b>285,585</b>	<b>(106,490)</b>

**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**12. Tangible fixed assets**

	<b>Fixtures &amp; fittings and computer equipment £</b>
<b>Cost</b>	
At 1 January 2021	11,142
Additions	30,954
Disposals	(3,596)
At 31 December 2021	<u>38,500</u>
<b>Depreciation</b>	
At 1 January 2021	9,591
Charge for the year	12,342
Disposals	(1,309)
At 31 December 2021	<u>20,624</u>
<b>Net book value</b>	
At 31 December 2021	<u>17,876</u>
At 31 December 2020	<u>1,551</u>

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**13. Stocks**

	2021 £	2020 £
Work in progress	-	937,063

Stocks are stated net of provisions for impairment of £nil (2020: £nil).

**14. Debtors**

	2021 £	2020 £
<b>Due after more than one year</b>		
Other debtors	2,186	-
<b>Due within one year</b>		
Trade debtors	14,396,587	15,627,006
Amounts owed by group undertakings	7,769,430	18,088,578
Other debtors	88	2,595
Prepayments and accrued income	13,298,160	8,541,270
Tax recoverable	105,995	314,639
Deferred taxation	498,573	280,618
	<u>36,068,833</u>	<u>42,854,706</u>

Trade debtors are stated after provisions for impairment of £341,556 (2020: £745,934).

Amounts owed by group undertakings are unsecured, interest-free and payable on demand.

**15. Cash**

	2021 £	2020 £
Cash at bank and in hand	16,044,363	1,112,462

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**16. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	1,195,828	200,294
Amounts owed to group undertakings	2,754,464	3,685,207
Other taxation and social security	894,531	929,743
Other creditors	4,909	4,911
Accruals and deferred income	27,979,830	23,359,196
	<u>32,829,562</u>	<u>28,179,351</u>

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand.

**17. Deferred taxation**

	2021 £	2020 £
At beginning of year	280,618	171,542
Charged to profit or loss	217,955	109,076
<b>At end of year</b>	<u>498,573</u>	<u>280,618</u>

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	4,516	8,468
Share based payments	494,057	272,150
	<u>498,573</u>	<u>280,618</u>

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**ACTIMIZE UK LIMITED**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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**18. Provisions**

	<b>National Insurance on Share Options £</b>
At 1 January 2021	223,707
Additions	154,332
Utilised in year	(276,321)
<b>At 31 December 2021</b>	<b>101,718</b>

National Insurance on share options

The provision relates to the National Insurance on the share options issued in the parent company and controlling party, NICE Limited. The amount of National Insurance payable depends upon the number of employees who remain with the Company and exercise their options, the market price of the parent undertaking's ordinary shares at the time of exercise and the prevailing National Insurance rates at the time. A provision has been made taking into account the above factors and movements in the market value of the parent undertaking's shares up to 31 December 2021.

**19. Share capital**

	<b>2021 £</b>	<b>2020 £</b>
<b>Allotted, called up and fully paid</b>		
100 (2020: 100) Ordinary shares of £1 each	100	100

The Company has one class of ordinary shares, each share gives rise to one voting right but no right to fixed income.

**20. Reserves****Profit and loss account**

The profit and loss account is made up of distributable reserves less any dividends paid and share-based payments.

**21. Pension commitments**

During the year the Company operated a funded defined contribution Group Personal Pension Plan for eligible employees. The assets of the plan are held separately from those of the Company. The total contributions to the scheme for the year were £363,599 (2020: £364,370). At the year end contributions of £nil (2020: £nil) were outstanding and are included in creditors.

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**ACTIMIZE UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**22. Related party transactions**

The Company has taken advantage of the exemption in Financial Reporting Standard 102, Section 33, from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**23. Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**24. Ultimate parent undertaking and controlling party**

The immediate and ultimate parent company of Actimize UK Limited is NICE Limited, a company registered in Israel. The ultimate parent undertaking of the largest and smallest group which includes the Company for which group financial statements were prepared is NICE Limited.

Copies of the consolidated financial statements of NICE Limited can be obtained from 22 Zarchin Street, Ra'anana, Israel 43101.