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TD SYNNEX UK Limited (formerly Tech Data Limited)

Report and Financial Statements

31 January 2022

Registered Number: 01691472

Contents

Company Information

Directors

A Amsellem
A Gass
S Philp
D Watts

Auditors

Ernst & Young LLP
Grosvenor House
Grosvenor Square
Southampton
Hampshire
SO15 2BE

Bankers

Citibank N.A.
Citigroup Centre
Canary Wharf
London E14

HSBC Bank
8 London Street
Basingstoke
Hants RG21 7NU

Registered Office

Redwood 2 (until 17 October 2022)
Crockford Lane
Chineham Business Park
Chineham
Basingstoke
Hampshire
RG24 8WQ

Maplewood (from 17 October 2022)
Crockford Lane
Chineham Business Park
Chineham
Basingstoke
Hampshire
RG24 8YB

Strategic report

Development and performance of the business

TD SYNNEX UK Limited (formerly Tech Data Limited) is a major trade-only distributor of IT, communications and consumer electronics products and services to the computer and mobile communications industry, operating through a number of product divisions addressing different sectors of the market.

Towards the end of 2019, there was an outbreak of the COVID-19 virus which the World Health Organisation official labelled a pandemic on 11th March 2020. Government policy to vaccinate the population to prevent further lockdowns has seen people returning to offices and bricks and mortar retail spaces throughout the fiscal year. The technology sector has stayed robust since the start of the pandemic as people turn to technology to remain connected.

The technology sector has seen increased demand within the Advanced Solutions markets in particular the cloud and data centre business divisions. The Company has also continued to see robust performance and growth in online retail markets, hardware and software as people continue to work from home with most businesses following a hybrid working model. With many customers requiring the Company to provide technology for both physical and virtual offices.

Advanced Solutions markets have been impacted with supply chain constraints for infrastructure and hardware businesses which the Company has been working hard to manage through its global partners. The Company has continued to deliver innovation within this sector and is a leader in the marketplace.

The Company continued to focus on its core business streams in its Endpoint Solutions sector seeing robust margins across its portfolio. The Company maintained good stock holdings when demand was strong and experienced increased margins throughout this period. The Company continues to support the retail sector as demand from consumers for technology products remains high.

The Company has continued to achieve cost savings efficiencies within its distribution channels while investing and innovating within this sector remaining a leader in the marketplace. The Company's key financial and other performance indicators, for the year were as follows:

	2022	*Restated 2021*	*Change*
	£000	*£000*	*Percentage*
Turnover	**1,796,712**	1,696,130	6%
Total operating profit	**40,068**	36,022	11%
Other non-operating income/ (expenses)	**4,202**	(5,170)	181%
Profit after tax	**38,306**	29,534	30%
Shareholders' funds	**326,190**	317,431	3%
Average number of employees	**1,101**	1,038	6%
	%	%	
Current assets as a % of current liabilities	**124**	117	7%

Note: The prior year comparatives have been restated in line with the change in accounting policy for the IFRS Interpretation Committee agenda decision – IFRS 15 Revenue from Contracts with Customers, treatment of Software revenue as agent revenue. For further information, see Note 2.

- The other non-operating income amount in 2022 relates to a net release of intercompany balances where the directors consider that the amounts are no longer legally enforceable.
- Shareholders funds increased from £317.4m to £326.2m. The movement is brought by an increase in share premium of £15.6m and the profit after tax for the year of £38.3m, this is then partially offset by dividends paid of £45.4m.

Strategic report (continued)

- The increase in share premium mentioned above was a result of 2 additional ordinary shares issued in the year to Azlan European Finance Limited ("AEF") in consideration for AEF releasing the Company from its liability in respect of an amount owed by the Company to AEF in the amount of £15.6m.
- The dividends paid in the year comprise of a £30.0m cash dividend and a distribution in specie of the shares of Advance Technology Trading Company Limited, Tech Data Distribution Limited, Corporate Mobile Recycling Limited and IQBlade Limited with a total carrying value of £15.4m.

In March 2021, the Board of Tech Data Corporation, the ultimate parent undertaking of the company at that time, announced that it had entered into an agreement to merge with SYNNEX Corporation. The merger completed on 1 September 2021 and TD SYNNEX Corporation became the ultimate parent undertaking of the company. The company continues to pursue the strategic policy set by the board of directors.

In September 2021, the TD SYNNEX group undertook a restructuring whereby the Company was contributed by its parent, TD United Kingdom Acquisition Limited, to AEF through a number of fellow UK group companies within the TD SYNNEX group.

Results and dividends

The profit for the year, after taxation, amounted to £38.3m (2021 – £29.5m). The Directors made the payment of a final dividend of £45.4m (2021 – £130m). There were no interim dividends declared or paid during the year (2021 – £nil). Dividends received in the period amounted to £nil (2021 – £62.3m).

Principal risks and uncertainties

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

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

The risks and uncertainties identified have been discussed further below.

COVID-19

Refer to the Development and performance of the business above for detail of the impact of COVID-19 on the business.

The company has shown robust performance throughout the COVID-19 pandemic and has grasped the opportunity to support customers as people turn to technology to mitigate the challenges the pandemic has thrown up. The company has faced challenges in its supply chain as China pursues a zero COVID policy. The Director's continue to implement measures to mitigate the impact of this through its varied portfolio of vendor relationships and its innovative solutions to our customer's needs.

Cash flow and liquidity risk

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

The Company uses its cash flows to settle amounts due to suppliers within agreed terms in order to secure rebates and discounts available to it, and also to ensure that it maintains a strong inventory holding to meet customer demand. The Company has cash balances of £0.5m (2020 – £1.5m) which earn interest at a variable rate. The Directors consider that the cash flow risk is at an acceptable level, and risks are mitigated through use of the group cash pool balances.

Foreign currency risk

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

Strategic report (continued)

Credit risk

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

Competitive and pricing risk

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

Legislative risk

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

Section 172 (1) Statement/Stakeholder engagement

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

In order to engage with key stakeholders, the Directors regularly attend meetings and events with customers, suppliers, employees and the Company shareholder. The Company's customer event "TD Live" provided an opportunity for Directors to understand the concerns, operations and opportunities of the Company's customers and the "Vendor Summit" enabled the Directors to present the plans for the Company to their suppliers as well as engage with many of them on a one-to-one basis to understand their needs from a key distributor. Stakeholder information and company performance data is also evaluated through regular Senior Leadership Team meetings which all the Directors attend alongside the key senior leaders of the Company to evaluate any issues that may impact these stakeholders and performance data.

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

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

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

Strategic report (continued)

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

The Directors remained committed to their duties during the COVID-19 pandemic with initiatives such as Tech Data Volunteers where staff are encouraged to volunteer within their communities.

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

Future developments

The Directors plan to push for improved margins on its existing and new business to deliver a greater return on capital and increased profits whilst investing in innovative new business streams to increase its market share and deliver increased value to its stakeholders.

On behalf of the Board

DocuSigned by:

S Philp

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S Philp

Director
Date: Jan 31, 2023

Registered No. 01691472

Directors' report

The Directors present their report and financial statements for the year ended 31 January 2022.

Directors

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

A Amsellem
A Gass
D Watts
H Tuffnail (resigned 31 August 2021)
S Philp (appointed 31 August 2021)

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

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. When making this assessment, the Directors have considered the results and future forecasts of the Group given the high level of intercompany transactions with the Company. The Company's results for the year show the business recorded a profit of £38.3m and a net asset position of £326.2m. The Company has a bank balance of £0.5m and further access to cash resources within the group through the group's central treasury function. The Company's forecast indicate a small decline in revenue however this is not considered to impact gross margins due to efficiency and cost saving programmes. COVID-19 is not considered to have an impact on the Company's ability to continue as a going concern.

The directors have been monitoring the recent turmoil in the markets assessing the risks this poses the company. Interest rates rising rapidly does not affect the company as it doesn't hold any variable rate debts with financial institutions. For the wider group interest rates on intercompany loan notes are at fixed rates. The in-house bank borrowings are on overnight rates but there are no significant borrowings currently or expected. Furthermore, due to the company structure, entities can depend on subsidiary earnings and with the centralised treasury function, the group is pooling funds which minimizes the reliance on external borrowings.

The falling pound vs the US dollar will affect the USD trading for the UK entities however, this is mitigated by the foreign exchange policy to hedge with forward contracts all specific foreign currency deals over £50,000 with a general hedge for all deals falling below this threshold.

Energy cost inflation will result in energy cost rises when the company's fixed rate ends in 2023. However the company is not a heavy consumer of energy and energy costs only make up a small amount of its total cost base.

Inflation and rising interest rates is starting to impact collection periods with a small amount of our SME customers however we have seen no evidence of customers unwilling to pay. We continue to support our customers with credit with the team mitigating the risk of bad debt by closely monitoring the market and customers financial positions. This if further mitigated by our comprehensive EMEA credit insurance provided by a market leading insurer.

Whilst customers may consider reducing spending in an increasingly uncertain economic environment the company is currently seeing customers willing to wait for supply constrained goods to arrive and turning to IT goods and services to improve efficiency.

Furthermore, TD SYNNEX Corporation which is now the ultimate parent company confirmed that it will provide financial support for a period up until at least 31 January 2024, being the going concern assessment period. The Directors have obtained confirmation from TD SYNNEX Corporation that the parent company and any of the fellow subsidiaries to which the Company has inter-company payables will not call those payables in the going concern period if the Company is unable to settle these balances. The Directors have also obtained confirmation from TD SYNNEX Corporation that there are no plans to fundamentally change the principal activity of the Company or its subsidiaries in a manner which would impact their status as a Going Concern. The Directors have considered the likelihood that the Company would require financial support from its parent using cashflow forecast modelling and found this to be remote.

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

Directors' report (continued)

Post balance sheet events

The Company's next accounting period was shortened so as to end on 30 November 2022, in order to align with TD SYNNEX group reporting.

As part of the TD SYNNEX group of companies rebranding, the Company changed its name to TD SYNNEX UK Limited on 17 October 2022. On the same date, the company changed its registered address to Maplewood, Crockford Lane, Chineham Business Park, Chineham, Basingstoke, Hampshire, RG24 8YB.

There are no other post balance sheet events.

Financial instruments

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

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

Dividends

Refer to the Strategic report.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee involvement

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

Creditors payment policy and practice

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

At 31 January 2022, the Company had an average of 98 days purchases outstanding in trade creditors (2021 – 110 days).

Energy and carbon reporting

Summary

TD SYNNEX UK Limited's (formerly Tech Data Limited) greenhouse gas emissions, reportable under SECR for the financial year February 2021 to January 2022 were 1,686 tonnes CO_2e. These include the emissions associated with electricity and natural gas consumption, business travel in private vehicles by employees.

We have calculated an intensity ratio, which expresses the business's annual emissions in relation to a quantifiable factor or normaliser. The intensity ratio is 728 kg CO_2e per £m revenue.

Directors' report (continued)

Greenhouse gas emissions

Figure 1 Greenhouse gas emissions by year (tonnes CO2e)

Emissions source	tCO_2e 2020/21	tCO_2e 2021/22	Share %	% change 2020/21 to 2021/22
Natural Gas	574	798	47%	39%
Electricity	854	828	49%	-3%
Transportation	155	71	4%	-54%
Total emissions (tCO2e)	**1,583**	**1,697**	**100%**	7%
£m of revenue	**2,277**	**2,314**		13%
Intensity: (kg CO_2e per £m of revenue)	**695**	**733**		6%

Figure 2 Greenhouse gas emissions by scope (tonnes CO2e)

Emissions source	2020/21	2021/22	% Share	% change 2020/21 to 2021/22
Scope 1	574	798	47%	39%
Scope 2	786	760	45%	-3%
Scope 3	223	139	8%	-38%
Total emissions (tCO2e)	**1,583**	**1,697**	**100%**	**7%**

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

Energy consumption

Figure 3 Energy consumption by year (kWh)

Emissions source	2020/21	2021/22	Share %	% change 2020/21 to 2021/22
Natural Gas	3,123,434	4,359,185	53%	40%
Electricity	3,370,938	3,580,822	44%	6%
Transportation	626,801	290,455	4%	-54%
Total	**7,121,172**	**8,230,462**	**100%**	**16%**

Boundary, methodology and exclusions

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

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

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

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

Directors' report (continued)

The reporting period is February 2021 to January 2022, as per the financial statements.

Energy efficiency initiatives

TD SYNNEX UK Limited operates four sites in the UK, a warehouse in Magna Park, Lutterworth and offices in Bracknell, Basingstoke, and Warrington, where we continually seek to improve energy efficiency, where it is practical to do so.

Both the Bracknell Office and our Sales Office in Warrington are leased space, within a Landlord operated building. The central services for which are operated and controlled by the Landlord, this means we have limited opportunity to improve energy efficiency. However, we continue to work with the landlord to improve the impact of our domain and to promote the importance of 'switching-off' IT and equipment to our colleagues. The building in Bracknell is BREEAM rated 'Very Good' and we voluntarily installed LED in the Warrington office.

At our offices in Basingstoke, and our Warehouse in Magna Park, we continue to ensure the operational efficiency, ensuring the HVAC system is operated efficiently and we continue to conduct regular education on the importance of 'switching off' IT and equipment, as we do at our Bracknell office.

At our Magna Park Office, we have invested in energy efficiency improvements, over the last few years and have started to investigate the decarbonisation of the building. This financial year we continued our LED lighting programme, and achieved 95% LED coverage, whilst slightly outside the timeframes of this report, we can announce 100% of the warehouse lighting is now LED.

The carbon impacts of our buildings have always been a consideration of Tech Data, since we first reported our emissions under the SECR scheme A better understanding of the impact of our buildings, meant that in December 2021, we started to put into place plans to exit our Basingstoke office and relocate to more efficient offices. Plus, we started to work more closely with the landlord of the Bracknell office to improve the efficiency of the Building. We hope these actions will be reflected in our emissions and reporting next year.

Whilst we have worked to improve the efficiency of the buildings we operate and control, the most significant impact on energy consumption, as with 2020, is due to Covid-19. In early 2020 the UK went into lockdown to help reduce the spread of the Coronavirus. As a result of the imperative to maintain safety, many colleagues have switched to home working, in early 2022, these colleagues started to return to work, which has contributed to an increase in energy consumption. Alongside this, we implemented national guidelines for the operation of buildings, aimed at reducing the risk of Covid transmission, the guidelines recommended we amended our HVAC settings and opened of windows to increase the flow of fresh air, both of which have had a negative impact of natural gas and electricity consumption.

Disclosure of information to the auditors

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

Auditors

Following the TD SYNNEX merger, Ernst & Young LLP will not be reappointed as statutory auditors of the Company.

In due course, KPMG LLP will be appointed as statutory auditors of the Company so as to align with the fact that KPMG LLP are the TD SYNNEX group auditor.

On behalf of the Board

DocuSigned by:
S Philip
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S Philip
Director
Date: Jan 31, 2023

Statement of directors' responsibilities

The Directors are responsible for preparing the annual 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 UK GAAP (FRS 101). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

On behalf of the Board

DocuSigned by:
S Philp
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S Philp
Director

Date: Jan 31, 2023

Independent auditor's report to the members of TD SYNNEX UK Limited (formerly Tech Data Limited)

Opinion

We have audited the financial statements of TD SYNNEX UK Limited (formerly Tech Data Limited) for the year ended 31 January 2022 which comprise the Profit and Loss Account, the Balance Sheet, Statement of cash flows, the Statement of comprehensive income, the Statement of changes in equity and the related notes 1 to 27, 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 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 January 2022 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 up until 31 January 2024, being the going concern assessment period.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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 this report, we do not express any form of assurance conclusion thereon.

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 the 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 11, 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 either intend 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the framework (United Kingdom Generally Accepted Accounting Practice), the Company's Act 2006 and the relevant tax compliance regulations in the UK.

- We understood how the Company is complying with those frameworks by making inquiries of management, those charged with governance, internal counsel and the Company Secretary. We corroborated our enquiries through our review of board minutes, and any correspondence received from regulatory bodies.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance and internal counsel. We also reviewed the board minutes to identify any non-compliance with laws and regulations.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override. Our procedures involved testing journals identified by specific risk criteria. We considered performance targets and their influence on efforts made by management. Where this risk was considered to be higher, we performed audit procedures to address the identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud and error. In addition to this we tested specific transactions to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.

- Where the risk was considered to be higher, including areas impacting key performance indicators or management remuneration, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. These procedures included those on revenue recognition, rebates, as well as testing manual journals; and were designed to provide reasonable assurance that the financial statements were free from fraud and error.

- We addressed the risk of improper revenue recognition by testing transactions recorded before and after the year end on a sample basis by vouching to evidence that the performance obligations are satisfied, and revenue has been recorded in the correct period. We also utilised data analytics tools to analyse a full population of sales-related journal entry data to track sales from revenue through to accounts receivable through to cash collection. We used this analysis to validate the appropriateness of transaction flows and tested a sample of transactions to determine if the journals accurately reflected the substance of transactions recorded.
- We addressed the risk of misstatement of rebate income by confirming a sample of rebates due from suppliers to third party source documentation. We also tested a sample of rebate transactions recorded to the income statement through the year and obtained underlying support to consider whether the transactions have been recorded in the correct period and if they have been classified appropriately against cost of goods sold.

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

Use of our 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.

DocuSigned by:

Ernst & Young LLP

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James Harris (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Southampton

Date: 31 January 2023

Income statement

for the year ended 31 January 2022

	Notes	2022 *£000*	Restated 2021 *£000*
Turnover	4	**1,796,712**	1,696,130
Cost of sales		**(1,645,917)**	(1,551,504)
Gross profit		**150,795**	144,626
Administrative expenses		**(101,059)**	(99,251)
Distribution costs		**(9,668)**	(9,353)
Operating profit	5	**40,068**	36,022
Impairment of investments	16	-	(60,156)
Income from shares in group undertakings	16	-	62,295
Interest receivable and similar income	8	**20**	146
Interest payable and similar charges	9	**(1,468)**	(1,382)
Other non-operating income/ (expenses)	10	**4,202**	(5,170)
Profit on ordinary activities before taxation		**42,822**	31,755
Tax	11	**(4,516)**	(2,221)
Profit for the financial year		**38,306**	29,534

All amounts relate to continuing activities.

Note: The prior year comparatives have been restated in line with the change in accounting policy for the IFRS Interpretation Committee agenda decision – IFRS 15 Revenue from Contracts with Customers, treatment of Software revenue as agent revenue. For further information, see Note 2.

Statement of comprehensive income

for the year ended 31 January 2022

There are no recognised gains or losses other than the profit attributable to the shareholders of the Company of £38.3m for the year ended 31 January 2022 (2021 – £29.5m).

The Notes on pages 19 to 38 form an integral part of these financial statements.

Registered No. 01691472

Statement of financial position

As at 31 January 2022

	Notes	2022 £000	2021 £000
Fixed Assets			
Intangible assets	12	**198,325**	198,311
Property, plant and equipment	13	**3,899**	3,774
Right-of-use assets	14	**22,407**	25,438
Other receivables	15	**8,488**	13,276
Investments	16	**-**	15,430
		233,119	256,229
Current Assets			
Stock	17	**167,454**	126,828
Debtors	18	**479,905**	574,124
Cash at bank and in hand		**474**	1,543
		647,833	702,495
Creditors: amount falling due within one year	19	**(521,295)**	(599,773)
Net current assets		**126,538**	102,722
Total assets less current liabilities		**359,657**	358,951
Provisions for liabilities	20	**(2,152)**	(2,031)
Lease liabilities	14	**(22,994)**	(24,317)
Other liabilities	21	**(8,321)**	(15,172)
Total net assets		**326,190**	317,431
Capital & Reserves			
Called up share capital	22	**12,000**	12,000
Share premium		**15,600**	-
Capital contribution reserve	23	**141,955**	141,955
Retained earnings		**156,635**	163,476
Total equity		**326,190**	317,431

The Notes on page 19 – 38 are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 31 January 2023 and were signed on its behalf by:

DocuSigned by:

S Philip

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S Philip

Director

Statement of changes in equity

for the year ended 31 January 2022

	Note	Share capital		Share premium	Capital contribution reserve	Retained earnings	Total shareholders' funds
		Ordinary	Non-qualified preference*				
		£000	£000	£000	£000	£000	£000
Balance as at 1 February 2020	22	12,000	-	112,257	-	153,047	277,304
Share premium reduction		-	-	(112,257)	-	112,257	-
Profit for the year		-	-	-	-	29,534	29,534
Dividends paid		-	-	-	-	(130,000)	(130,000)
Share based payments		-	-	-	-	(1,362)	(1,362)
Intercompany loan released	23	-	-	-	39,414	-	39,414
Intercompany liability reclassification	23	-	-	-	102,541	-	102,541
Balance as at 31 January 2021		**12,000**	-	-	**141,955**	**163,476**	**317,431**
Ordinary shares issued	22	-	-	**15,600**	-	-	**15,600**
Profit for the year		-	-	-	-	**38,306**	**38,306**
Dividends paid		-	-	-	-	**(45,430)**	**(45,430)**
Preference Share Issue	22	-	-	-	-	-	-
Share based payments		-	-	-	-	**283**	**283**
Balance as at 31 January 2022		**12,000**	-	**15,600**	**141,955**	**156,635**	**326,190**

**The company issued 400 non-qualified preference shares in September 2021 of £1 per share. As at 31 Jan 2022, total share capital - NQPS is £400. Refer to Note 22.*

Notes to the financial statements

For year ended 31 January 2022

1. General information

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

2. Accounting Policies

Basis of preparation

The financial statements of TD SYNNEX UK Limited (formerly Tech Data Limited) for the year ended 31st January 2022 were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006.

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

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

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

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

- The preparation of a cash flow statement and related notes.
- The requirement to make disclosures of the schemes and details about options exercised in the year and options outstanding at the year end. As a subsidiary this exemption only applies to the arrangements involving equity instruments of the Company's parent and ultimate parent.
- Listing new or revised standards that have not been adopted, and information of their likely impact.
- The requirement to disclose comparative tables for tangible and intangible fixed assets.
- Paragraph 134 and 135 of IAS 36 which requires extensive disclosures for each cash generating unit which contains goodwill or an intangible asset with an indefinite life.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.
- The disclosure requirements of IFRS 7 financial instruments.
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases.
- The requirement to disclose transactions with other wholly-owned group undertakings on the grounds that at 31 January 2022 was a wholly-owned subsidiary undertaking of TD SYNNEX Corporation, the group financial statements of which are publicly available (Note 27).
- The requirements of paragraphs 45 (b) and 46 – 52 of IFRS 2 share based payments.
- The requirements of IAS 1.10(f) to present a statement of financial position as at the beginning of the preceding period in the circumstances above, which would have included comparative information. The requirements of IAS 1 paragraph 16, paragraphs 38A-D and paragraph 111.

Where required, equivalent disclosures are given in the group financial statements of TD SYNNEX Corporation. The group financial statements of TD SYNNEX Corporation are available to the public and can be obtained as set out in Note 26.

2. Accounting policies (continued)

Going concern
As mentioned in the Strategic report under the principal risks and uncertainties, the Directors' consider it appropriate to draw up these accounts on a going concern basis. The Company has sufficient access to cash resources within the group and a net asset position of £326.2m to cover its short-term liabilities. The Company's liabilities consist of intercompany balances which the Parent has confirmed will not be called unless the Company has sufficient resources to do so. The Company also has profits of £38.3m in the current year. COVID-19 impact has not affected the Company's ability to continue as a going concern and the Director's continue to implement measures to mitigate the impact of the pandemic.

The directors have been monitoring the recent turmoil in the markets assessing the risks this poses the company. Interest rates rising rapidly does not affect the company as it doesn't hold any variable rate debts with financial institutions. For the wider group interest rates on intercompany loan notes are at fixed rates. The in-house bank borrowings are on overnight rates but there are no significant borrowings currently or expected. Furthermore, due to the company structure, entities can depend on subsidiary earnings and with the centralised treasury function, the group is pooling funds which minimizes the reliance on external borrowings.

The falling pound vs the US dollar will affect the USD trading for the UK entities however, this is mitigated by the foreign exchange policy to hedge with forward contracts all specific foreign currency deals over £50,000 with a general hedge for all deals falling below this threshold.

Energy cost inflation will result in energy cost rises when the company's fixed rate ends in 2023. However the company is not a heavy consumer of energy and energy costs only make up a small amount of its total cost base.

Inflation and rising interest rates is starting to impact collection periods with a small amount of our SME customers however we have seen no evidence of customers unwilling to pay. We continue to support our customers with credit with the team mitigating the risk of bad debt by closely monitoring the market and customers financial positions. This if further mitigated by our comprehensive EMEA credit insurance provided by a market leading insurer.

Whilst customers may consider reducing spending in an increasingly uncertain economic environment the company is currently seeing customers willing to wait for supply constrained goods to arrive and turning to IT goods and services to improve efficiency.

Furthermore, TD SYNNEX Corporation which is now the ultimate parent company confirmed that it will provide financial support for a period up until at least 31 January 2024, being the going concern assessment period. The Directors have obtained confirmation from TD SYNNEX Corporation that the parent company and any of the fellow subsidiaries to which the Company has inter-company payables will not call those payables in the going concern period if the Company is unable to settle these balances. The Directors have also obtained confirmation from TD SYNNEX Corporation that there are no plans to fundamentally change the principal activity of the Company or its subsidiaries in a manner which would impact their status as a Going Concern. The Directors have considered the likelihood that the Company would require financial support from its parent using cashflow forecast modelling and found this to be remote. The Directors therefore consider that it is appropriate to draw up these accounts on a going concern basis.

True and fair override
Section 393 of the Companies Act 2006 requires that the Directors of a Company must not approve accounts unless they are satisfied they give a true and fair view. A true and fair view will usually be achieved by compliance with accounting standards and by additional disclosure to fully explain an issue. However, where compliance with an accounting standard would result in accounts being so misleading that they would conflict with the objectives of financial statements, the standard should be overridden (this is known as the "true and fair override").

Transfer of investment to goodwill
During the year ended 31 January 2014, the business operations and the main assets of the Company's subsidiary, Specialist Distribution Group Limited ("SDG") were integrated into the Company. The Company originally purchased the shares in SDG on 1st November 2012 for £101.4m which comprised of net assets of £16.3m and goodwill/intangible assets valued at £85.1m making up the remaining balance.

Basis of preparation
The goodwill and intangibles were not recognised in SDG before acquisition, and they materialised only when the Company purchased SDG. The goodwill represents the vendor relations and future growth potential.

2. Accounting policies (continued)

The business operations and the main assets of SDG were hived up to the Company the year ending 31st January 2015 at consideration equal to the carrying value of the relevant net assets in SDG. As a consequence the recoverable amount of the Company's investment in SDG fell below its carrying amount. Accounting standards would normally require that the investment held in SDG should be impaired down to the net asset position of SDG resulting in an impairment charge in the profit and loss account. However, as the Company has suffered no actual loss as a consequence of the hive up, the Directors consider that to impair the investment would not give a true and fair view of the Company's results of financial position. A true and fair override was invoked and an amount of £79.8m has been transferred from cost of investment in SDG to goodwill reflecting the original goodwill of £85.1m net of amortisation of £5.3m that would have been charged since the original acquisition date of November 2012.

Non-amortisation of goodwill
The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the Directors, its useful economic life. However, under IFRS 3 Business Combinations goodwill is not amortised. Consequently, the Company does not amortise goodwill, but reviews it for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised. Goodwill is impairment tested annually by preparing a discounted cash flow forecast for the relevant cash generating unit to determine if any impairment is required against the carrying value. The discount factor used is based on the publicly available weight average cost of capital of TD SYNNEX Corp.

Intangible assets
The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Separately acquired intangible assets are capitalised at cost. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstance indicate that the carrying value may not be recoverable.

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

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

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

Trademarks	–	5 to 20 years
Software	–	3 to 5 years
Customer list	–	4 to 13 years

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

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

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

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

2. Accounting policies (continued)

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

Impairment of non-financial assets

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

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

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

Foreign currencies
Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the Statement of financial position date and the gains or losses on translation are included in the Income statement.

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

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

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

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the products or services to be provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, software licences, post-contract software support services and extended warranty contracts. Refer to page 26 for the detailed policy on software revenue recognition.

2. Accounting policies (continued)

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

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

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

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

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

Financial instruments

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

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

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

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

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

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

2. Accounting policies (continued)

Financial instruments (continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

2. Accounting policies (continued)

Leases (continued)

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

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

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

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

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

Share-based payments
Equity settled transactions
The cost of equity settled transactions with employees is measured by reference to the fair value of the stock options, restricted stock units and performance restricted stock units at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by the use of an appropriate pricing model.

In valuing equity settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions).

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

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

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

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

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

Change in Accounting Policy – IFRS 15

In response to a request to clarify whether a reseller/distributor of software licenses is a principal or agent, the IFRS Interpretation Committee ("the Committee") recently issued further guidance setting out the applicable requirements of IFRS 15 to determine whether revenue is recognised on a principal (gross) or agent (net) basis. In line with this, management re-assessed the Company's position and agreed that software sales should be recorded on a 'net' basis. Prior to this conclusion, 70% of the Company's software sales is recognised on a 'gross' basis and 30% on a 'net' basis.

The key points the Committee considered in reaching their assessment include:

- the software licences provided to the customer exist only after the reseller places an order with the software manufacturer and the software manufacturer issues the software licences in the customer's name. The software manufacturer is responsible for the software's functionality, as well as for issuing and activating the licences. The software manufacturer is therefore responsible in those respects for fulfilling the promise to provide the licences to the customer;
- the reseller is the party that engages with the customer before and after the software licences are provided to the customer, taking responsibility for unaccepted licences. The reseller is therefore responsible in those respects for fulfilling the promise to provide the licences to the customer;
- the reseller does not obtain a pool of software licences before entering into the contract with the customer and cannot, for example, direct the software licences to another customer. The reseller therefore has no inventory risk before the licences are provided to the customer but then has inventory risk until the customer accepts the licences; and
- the reseller has discretion in establishing the price for the software licences. Pricing discretion may be less relevant to the assessment of control if, for example, the market for the software licences is such that the reseller, in effect, has limited flexibility in establishing the price.

As a result of this guidance, the Company has amended its accounting policy to recognise all software sales, that were previously recorded as principal and presented gross, on a 'net' basis. The impact of this change in accounting policy on prior year financial statements is as follows:

- The revenue and cost of sales would decrease by £580.8 million; and
- Gross profit, operating profit and profit before and after taxes have remained unchanged in all periods. The Statement of financial position and the Statement of changes in equity also remain unchanged.

This is summarised in the following table:

	Previous accounting policy £000	Adjustment – gross to net software sales £000	Revised accounting policy £000
31 January 2021			
Gross revenue	2,276,883	(580,753)	1,696,130
Cost of sales	(2,132,257)	580,753	(1,551,504)
Gross profit	144,626	-	144,626
31 January 2022			
Gross revenue	2,316,124	(519,412)	1,796,712
Cost of sales	(2,165,329)	519,412	(1,645,917)
Gross profit	150,795	-	150,795

3. Significant accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Leases

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

The incremental borrowing rate is generally based on a weighted average interest rate on the Group's debt borrowings. The Group have used an incremental borrowing rate of 4.1%.

Impairment

Investments are assessed at each reporting date for impairment through a review of impairment indicators. Goodwill is impairment tested annually by preparing a discounted cash flow forecast for the relevant cash generating unit to determine if any impairment is required against the carrying value. The discount factor used is based on the publicly available weight average cost of capital of TD SYNNEX Corp. Impairment charges are recognised in the Income statement.

Inventory

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

Bad Debt Provision

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

There are no other significant accounting estimates or judgements.

4. Turnover

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

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

5. Operating profit

This is stated after charging/(crediting)

		2022	*2021*
		£000	*£000*
Auditors' remuneration	– audit services	**886**	607
Depreciation – fixed assets		**1,270**	1,210
Depreciation – right-of-use assets		**4,245**	3,533
Amortisation of intangible fixed assets		**325**	316
Foreign exchange (gain)/ loss		**(713)**	508

6. Directors' remuneration

	2022	*2021*
	£000	*£000*
Aggregate remuneration in respect of qualifying services	**2,456**	4,517
Aggregate remuneration in respect of loss of office	**439**	-
Company contributions to money purchase pension schemes	**22**	22

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid Director was £876,712 (2021 – £1,838,229), and Company pension contributions of £nil (2021 – £nil) were made to a money purchase scheme on his behalf.

	2022	*2021*
	No.	*No.*
Retirement benefits are accruing to the following number of directors under:		
Money purchase pension schemes – group personal pension	**3**	2
Number of directors who received shares in respect of qualifying services	**3**	4

7. Staff costs

	2022	*2021*
	£000	*£000*
Wages and salaries	**45,386**	45,647
Social security costs	**5,179**	7,133
Other pension costs	**1,745**	2,341
	52,310	55,121

Wages and salaries are inclusive of share based payments related to directors' payments of £208,677 (2021 – £1,974,918) arising from transactions accounted for as equity settled share-based payment transactions. The average monthly number of employees (including directors) during the year was made up as follows:

	2022	*2021*
	No.	*No.*
Office and management	**242**	276
Sales, marketing & distribution staff	**859**	762
	1,101	1,038

7. Staff costs (continued)

The total number of employees as at 31st January 2022 is 1,119.

8. Interest receivable and similar income

	2022	*2021*
	£000	*£000*
On loans to group companies	**20**	146

9. Interest payable and similar charges

	2022	*2021*
	£000	*£000*
On leases	**1,289**	1,307
On loans from group companies	**179**	75
	1,468	1,382

10. Other non-operating income/ (expenses)

The Company had a number of intercompany balances acquired as part of the integration of Tech Data AS UK Limited and Tech Data Services UK Limited. The directors considered that the amounts were no longer legally enforceable and hence these amounts were released in financial years 2022 and 2021. This has resulted in a net increase in income of £4.2m (2021: expenses of £5.2m).

11. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2022	*2021*
	£000	*£000*
Current income tax:		
UK corporation tax	**5,138**	**1,282**
Tax adjustment relating to previous years	**(508)**	**-**
Total current income tax	**4,630**	**1,282**
Deferred tax:		
Origination and reversal of temporary differences	**(114)**	**939**
Tax expense in the Income statement (note 11 (b))	**4,516**	**2,221**

(b) Reconciliation of the total tax charge

The tax expense in the Income statement for the year is lower than (2021 is lower than) the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%). The differences are reconciled below:

	2022	*2021*
	£000	*£000*
Profit from ordinary activities before tax	**42,822**	**31,755**
Tax calculated at UK standard rate of corporation tax of 19% (2021: 19.0%)	**8,136**	**6,033**
Entertaining, non-qualifying depreciation and other disallowances	**141**	**12,079**
Group relief received for nil consideration	**(1,959)**	**(4,451)**
Share based payment relief	**-**	**(216)**
Non taxable income	**(1,020)**	**(11,224)**
Rates differences	**(274)**	**-**
Tax adjustment relating to previous years	**(508)**	**-**
Total tax charge in the income statement	**4,516**	**2,221**

(c) Deferred tax

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

	2022	*2021*
	£000	*£000*
Accelerated capital allowances	**911**	**903**
Other timing differences	**232**	**126**
Total deferred tax included in the balance sheet (note 18)	**1,143**	**1,029**

11. Taxation (continued)

(d) Provision for deferred tax

The deferred tax in the income statement is as follows:

	2022	*2021*
	£000	*£000*
Accelerated capital allowances	(8)	155
Movement on general provisions	(106)	784
Total deferred tax in the income statement (note 11 (a))	(114)	939

(e) Factors that may affect future tax charges

The Finance Act 2016 was enacted so as to increase the corporation tax rate from 19% to 25% with effect from 1 April 2023. Deferred tax has been provided at 25% being the rate at which the temporary differences are expected to reverse.

12. Intangible assets

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

	Goodwill	*Trademarks*	*Software*	*Customer list*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*
Cost:					
As at 1 February 2021	171,841	4,097	2,263	42,195	220,396
Additions	-	-	340	-	340
Disposals	-	-	(36)	-	(36)
At 31 January 2022	171,841	4,097	2,567	42,195	220,700
Amortisation:					
As at 1 February 2021	10,852	1,090	2,206	5,401	19,549
Charge for the year	-	50	132	143	325
Disposals	-	-	(36)	-	(36)
At 31 January 2022	10,852	1,140	2,302	5,544	19,838
Impairment:					
As at 1 February 2021	2,537	-	-	-	2,537
Impairment for the year	-	-	-	-	-
At 31 January 2022	2,537	-	-	-	2,537
Net book value:					
At 1 February 2021	158,452	3,007	57	36,794	198,311
At 31 January 2022	**158,452**	**2,957**	**265**	**36,651**	**198,325**

13. Property, plant and equipment

	Motor Vehicles	*Computer, plant and machinery, and office equipment*	*Furniture, fixtures and fittings*	*Total*
	£000	*£000*	*£000*	*£000*
Cost:				
As at 1 February 2021	297	19,375	4,504	24,176
Additions	-	1,395	-	1,395
Disposals	(296)	(1,103)	(604)	(2,003)
At 31 January 2022	1	19,667	3,900	23,518
Depreciation:				
As at 1 February 2021	297	17,991	2,114	20,402
Charge for the year	-	1,092	178	1,270
Disposals	(296)	(1,103)	(604)	(2,003)
At 31 January 2022	1	17,980	1,688	19,669
Net book value:				
At 1 February 2021	-	1,384	2,390	3,774
At 31 January 2022	**-**	**1,687**	**2,212**	**3,899**

14. Leases

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

(i) Amounts recognised in the Statement of financial position

Right-of-use assets

	Buildings	**Vehicles**	**Total**
Cost:			
At 1 February 2021	31,325	879	32,204
Additions	1,214	-	1,214
Disposals	(2,165)	-	(2,165)
At 31 January 2022	30,374	879	31,253
Depreciation:			
At 1 February 2021	6,460	306	6,766
Charge for the year	4,049	196	4,245
Disposals	(2,165)	-	(2,165)
At 31 January 2022	8,344	502	8,846
Net book value:			
At 1 February 2021	24,865	573	25,438
At 31 January 2022	**22,030**	**377**	**22,407**

14. Leases (continued)

	2022	*2021*
	£000	*£000*
Lease liabilities		
Current	3,941	3,406
Non-current	22,994	24,317
	26,935	27,723

(ii) Amounts recognised in the Income statement

	2022	*2021*
	£000	*£000*
Depreciation charge of right-of-use assets		
Buildings	4,049	3,334
Vehicles	196	199
	4,245	3,533
Interest expense (included in Interest payable and similar charges)	1,289	1,307

Future minimum lease payments as at 31 January 2022

	2022	2021
	£000	£000
Within one year	5,136	3,467
In two to five years	13,843	14,224
Over five years	13,783	16,950
Total gross payments	32,762	34,641
Impact of interest expense	(5,827)	(6,918)
Carrying amount of liability	26,935	27,723

15. Other receivables

Other receivables relates to an asset associated with a long term enterprise project with a customer and vendor. The deal spans a five-year period and has been recognised in full by the Company as it is an agent in the transaction. A related liability has also been raised for this same deal as documented in Note 21.

16. Investments

	2022 £000	2021 £000
Cost:		
At 1 February	97,712	97,673
Additions	-	39
Disposals	(97,712)	-
At 31 January	-	97,712
Impairment:		
At 1 February	82,282	22,126
Impairment in year	-	60,156
Disposals	(82,282)	-
At 31 January	-	82,282
Net book value:		
At 1 February	15,430	75,547
At 31 January	-	15,430

The details of the Company's investments are as per below.

Name of Company	Registered Address	Type of shares held	Proportion of voting rights and shares held 2022	2021	Nature of business
Subsidiary undertakings					
Tech Data Distribution Limited	14 Joyce Way, Park West Business Park, Nangor Road, Dublin 12.	Ordinary	-	100%	IT distribution
Corporate Mobile Recycling Limited	3 Long Yard, Holborn, London, WC1N 3LS.	Ordinary	-	100%	IT distribution
IQBlade Limited	Redwood 2 Crockford Lane, Chineham Business Park, Chineham, Basingstoke, Hampshire, RG24 8WQ.	Ordinary	-	100%	Data processing, hosting and related activities
Other Investments					
Advanced Technology Trading Company Limited	Redwood 2 Crockford Lane, Chineham Business Park, Chineham, Basingstoke, Hampshire, RG24 8WQ.	Ordinary	-	49%	Management consultancy activities
Indirect Investments					
AS 24 Communications - Fonebank SARL	LD Le Marchat, 24420, Savignac-les-Eglises, France	Ordinary	-	100%	IT distribution
Corporate Mobile Recycling Espana S.L.	C/ Tortola 1, Madrid 28, Spain	Ordinary	-	100%	IT distribution
EKM Global Limited	Redwood 2 Crockford Lane, Chineham Business Park, Chineham, Basingstoke, Hampshire, RG24 8WQ.	Ordinary	-	49%	IT Consultancy and software development

16. Investments (continued)

During the year, all of the Company's investments in subsidiaries were distributed to TD United Kingdom Acquisition Limited.

In 2021, the Company received a dividend of £62.3m from its subsidiary Tech Data Distribution Limited. The annual impairment assessment was done on the Company's subsidiaries. As a result of this assessment impairment losses of £4.4m and £55.7m were recognised for Corporate Mobile Recycling Limited and Tech Data Distribution Limited respectively. Corporate Mobile Recycling Limited was negatively impacted by supply chain issues as a result of the COVID-19 pandemic and thus the impairment and for Tech Data Distribution Limited, the dividend paid to the Company resulted in a drop in the underlying value of this subsidiary and thus the impairment.

17. Stock

	2022 £000	2021 £000
Finished goods	167,454	126,828

During the year ended 31 January 2022, £777,479 (2021 - £864,854) was recognised as an expense for inventories held at a weighted average cost. This is recognised in cost of sales.

18. Debtors

	2022 £000	2021 £000
Trade debtors	420,134	372,285
Amounts owed by group undertakings	9,228	161,694
Other debtors	45,106	33,983
Derivatives	895	571
Prepayments and accrued income	1,814	930
Corporation tax recoverable	1,585	3,632
Deferred tax asset	1,143	1,029
	479,905	574,124

During the prior year, the Company and other related parties entered into a pledge agreement with the Company's bankers Citibank N.A. The pledge agreement is part of a group wide initiative to obtain Asset Backed Lending. As part of the pledge agreement, the Company has pledged certain receivables, mainly its trade debtors and amounts owed by group undertakings. Copies of the Pledge Agreement are available from Companies House.

Amounts owed by group undertakings are all with related parties and subsidiaries or fellow subsidiaries. For 2022 amounts owed by the Parent is £nil and amounts owed by fellow subsidiaries are £9.2m. For 2021 amounts owed by the Parent are £135.5m and amounts owed by fellow subsidiaries are £26.2m.

The amounts due from group undertakings in respect of in-house bank accounts are repayable at 45 days notice and trading balances with fellow subsidiaries are repayable of net 30 days terms. Interest in respect of the in-house bank accounts is at LIBOR rates.

From 1 December 2021, SONIA rates are used for in-house bank interest calculations.

19. Creditors: amounts falling due within one year

	2022	*2021*
	£000	*£000*
Trade creditors	**443,268**	**465,344**
Amounts owed to group undertakings	**7,275**	**65,811**
Other creditors including tax and social security	**22,772**	**29,245**
Derivatives	**493**	**604**
Accruals	**43,546**	**35,362**
Lease liabilities - current	**3,941**	**3,407**
	521,295	599,773

Amounts owed to group undertakings are all with related parties and subsidiaries or fellow subsidiaries. For 2022 amount owed to the Parent is £nil and amounts owed to fellow subsidiaries are £7.3m. For 2021 amounts owed to the Parent are £4.0m and amounts owed to fellow subsidiaries are £61.8m. The amounts that are in respect of in-house bank accounts are repayable at 45 days notice. Interest payable on the in-house bank accounts is at LIBOR rates plus 1%. These amounts are owed to a fellow subsidiary. From 1 December 2021, SONIA rates are used for in-house bank interest calculations.

20. Provisions for liabilities

	2022	*2021*
	£000	*£000*
Provisions	**2,152**	**2,031**

	Dilapidation costs
	£000
Provision at 1 February 2021	2,031
Utilised during the year	-
Arising during the year	121
Provision at 31 January 2022	**2,152**

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

21. Other liabilities

Other liabilities relates to a liability associated with a long term enterprise project with a customer and vendor. The deal spans a five-year period and has been recognised in full by the Company as it is an agent in the transaction.

22. Issued share capital

	2022 No.	2022 £000	2021 No.	2021 £000
Authorised				
Ordinary 'A' shares of £1 each	**12,000,002**	**12,000**	12,000,000	12,000
Non-qualified preference shares of £1 each	**400**	-	-	-
Allotted, called up and fully paid				
Ordinary 'A' shares of £1 each	**12,000,002**	**12,000**	12,000,000	12,000
Non-qualified preference shares of £1 each	**400**	-	-	-

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

Share premium

In September 2021, 2 ordinary shares of £1 per share were issued to AEF at a premium in consideration for the Company being released of it's liability of £15,600,000 owed to AEF. In prior year, the Company reduced its Share Premium account from £112,257,506 to £nil.

23. Capital contribution reserve

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

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

24. Pensions

The pension cost for the year represents contributions payable by the Company into a group personal pension arrangement (defined contribution) and amounted to £1,745,397 (2021 – £2,341,260). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

25. Derivatives

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

	2022 £000	2021 £000
Forward foreign currency contracts (assets)	**895**	571
Forward foreign currency contracts (liabilities)	**(493)**	(604)
Forward foreign currency contracts	**402**	(33)

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

The total amount recognised in profit and loss on the Company's foreign currency forward contracts was a net foreign currency exchange gain of £0.6m (2021 – exchange loss of £0.6m).

25. Derivatives (continued)

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

2022	Change in FX rate	Effect on profit £'000
US dollar/ Sterling	(20%)	(9,967)
	20%	6,644
Euro/ Sterling	(20%)	1,699
	20%	(2,563)

26. Parent and ultimate parent company

The Company's immediate parent undertaking at 31 January 2021 was TD United Kingdom Acquisition Limited, a Company incorporated in England. From 10 September 2021, the Company's immediate parent is now Azlan European Finance Limited.

At the previous reporting date, the company's ultimate parent undertaking and controlling party is Apollo Global Management, Inc., which is incorporated in the USA. Copies of its group financial statements, which include the company, are available from its registered office 9 West 57th Street, 43rd Floor New York, New York 10019. From 1 September 2021, TD SYNNEX Corporation is now the ultimate controlling company and its group financial statements are published on its website www.tdsynnex.com.

27. Post balance sheet events

The Company's next accounting period was shortened so as to end on 30 November 2022, in order to align with TD SYNNEX group reporting.

On 17 October 2022, the company changed its name to TD SYNNEX UK Limited as part of the TD SYNNEX group's rebranding. On the same day, the company also changed its registered address to Maplewood, Chineham Park, Crockford Lane, Chineham, Basingstoke, United Kingdom RG24 8YB.

There are no other post balance sheet events.