

Registered number: 04294906

AZLAN EUROPEAN FINANCE LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

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AZLAN EUROPEAN FINANCE LIMITED

CONTENTS

	Page
Company Information	1
Strategic Report	2
Directors' Report	4
Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements ..	6
Independent Auditor's Report to the Members of Azlan European Finance Limited	7
Income Statement for the period ended 30 November 2022	11
Statement of Financial Position as at 30 November 2022	12
Statement of Changes in Equity for the period ended 30 November 2022	13
Notes to the Financial Statements	14

AZLAN EUROPEAN FINANCE LIMITED

COMPANY INFORMATION

Directors

A Gass
S Nolan
S Philp

Registered number

04294906

Registered office

Maplewood Crockford Lane
Chineham Park
Basingstoke
Hampshire
RG24 8YB

Independent auditor

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

AZLAN EUROPEAN FINANCE LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 NOVEMBER 2022

The directors present their Strategic Report for the period ended 30 November 2022.

Principal activity and business review

The principal activity of the company is that of an investment holding company within the TD SYNEX group.

During the period ended 30 November 2022, the company earned a profit from foreign exchange gains on intercompany balances.

In the prior year, the company acquired 100% of the share capital of TD SYNEX UK Limited.

Key performance indicators

The company's key financial indicators during the period can be summarised as follows:

	Period ended 30 November 2022	Year ended 31 January 2022	Change
	£000	£000	%
Net current assets (including debtors falling due after more than one year)	30,760	30,053	2.4
Shareholder's equity	237,207	236,500	0.3

Principal risks and uncertainties

The principal risks and uncertainties are that the investments underperform and the value falls below the carrying amount resulting to impairment loss charge through the income statement.

The following risks also apply to the company:

Liquidity risk

Liquidity risk is the risk that the company will encounter in realising assets or otherwise raising funds. The company's principal financial liability is amounts owed to fellow group undertakings. Given TD SYNEX Corporation has indicated its intention to make available funds as needed and considering the counter parties involved, the directors do not consider there to be significant liquidity risk.

Currency risk

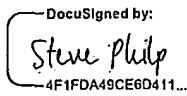
The company has transactional currency exposures. Potential exposures to foreign currency exchange rate movements are monitored on a regular basis.

AZLAN EUROPEAN FINANCE LIMITED
STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022

Future developments

The directors expect the company to continue to act as an investment holding company within the TD SYNEX group.

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

DocuSigned by:

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S Philp
Director

Date: Jul 18, 2023

AZLAN EUROPEAN FINANCE LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 NOVEMBER 2022

The directors present their report and the audited financial statements of the company for the period ended 30 November 2022.

Principal activity

The principal activity of the company is that of an investment holding company within the TD SYNEX Group.

Change in reporting date

The company has shortened its reporting period so as to end on 30 November 2022. Comparative information has been presented in respect of the year ended 31 January 2022.

Results and dividends

The company's results for the financial period are set out in the income statement on page 11. The profit for the period, after taxation, amounted to £707,000 (Year ended 31 January 2022: loss of £1,480,000).

No ordinary dividends were paid (Year ended 31 January 2022: £Nil). The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signing the financial statements, unless otherwise indicated, were as follows:

A Gass
S Nolan
S Philp

Financial risk management objectives and policies

The discussion of financial risk management objectives and policies has been promoted to the Strategic Report within the 'Principal risks and uncertainties' section on page 2 and forms part of this report by cross reference.

Going concern

At the reporting date, the company has net current assets of £30,760,000. The company is an intermediate holding company.

There are no plans to fundamentally change the nature of the company or cease its operations as part of the TD SYNEX group of companies. The directors therefore consider that it is appropriate to prepare these financial statements on a going concern basis.

Subsequent events

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

Future developments

An indication of the likely future developments of the company is provided in the Strategic Report on page 3 and forms part of this report by cross reference.

AZLAN EUROPEAN FINANCE LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022

Disclosure of information to auditor

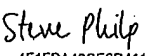
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

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

Auditor

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

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

DocuSigned by:

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S Philp
Director

Maplewood Crockford Lane
Chineham Park
Basingstoke
Hampshire
RG24 8YB

Date: Jul 18, 2023

Azlan European Finance Limited

Statement of directors' responsibilities in respect of the Annual report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

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

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

Independent Auditor's report to the members of Azlan European Finance Limited

Opinion

We have audited the financial statements of Azlan European Finance Limited ("the Company") for the period ended 30 November 2022 which comprise the Income Statement, Statement of financial position, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

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

Our conclusions based on this work:

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Independent Auditor's report to the members of Azlan European Finance Limited (Continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- enquiring of directors and inspection of policy documentation as to the Company's policies and procedures to prevent and detect fraud as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation of the design effectiveness of the Company-wide fraud risk management controls. We performed procedures including agreeing accounting entries in the period to supporting documentation.

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

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

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

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

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

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

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

Independent Auditor's report to the members of Azlan European Finance Limited (*Continued*)

Strategic report and Directors' report

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

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities


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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's report to the members of Azlan European Finance Limited (*Continued*)

The purpose of our audit work and to whom we owe our responsibilities

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



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

Date: 19 July 2023

AZLAN EUROPEAN FINANCE LIMITED
INCOME STATEMENT
FOR THE PERIOD ENDED 30 NOVEMBER 2022

		Period ended 30 November 2022 £000	Year ended 31 January 2022 £000
	Note		
Other operating income/(expenses)		1,054	(1,827)
Profit/(loss) before taxation	7	1,054	(1,827)
Tax on profit/(loss)	8	(347)	347
Profit/(loss) for the financial period/year		707	(1,480)

There was no other comprehensive income for the period ended 30 November 2022 or for the year ended 31 January 2022 and therefore no statement of other comprehensive income has been presented.

The company's results are derived from continuing operations.

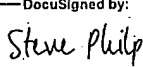
The notes on pages 14 to 22 form an integral part of these financial statements.

AZLAN EUROPEAN FINANCE LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2022

REGISTERED NUMBER: 04294906

	Note	30 November 2022 £000	31 January 2022 £000
Fixed assets			
Investments	9	206,447	206,447
Current assets			
Debtors: amounts falling due after more than one year	10	–	29,891
Debtors: amounts falling due within one year	10	31,145	533
		31,145	30,424
Current liabilities			
Creditors: amounts falling due within one year	11	(385)	(371)
Net current assets		30,760	30,053
Total assets less current liabilities		237,207	236,500
Net assets		237,207	236,500
Capital and reserves			
Called up share capital	12	30,878	30,878
Share premium account	13	206,447	206,447
Retained earnings		(118)	(825)
Total equity		237,207	236,500

The financial statements were approved by the Board of Directors and authorised for issue on 18 July 2023 and are signed on its behalf by:

DocuSigned by:

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S Philp
Director

The notes on pages 14 to 22 form an integral part of these financial statements.

AZLAN EUROPEAN FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 NOVEMBER 2022

	Called up share capital £000	Share premium account £000	Retained earnings £000	Total equity £000
Balance at 1 February 2021	30,878	—	655	31,533
Loss and total comprehensive expense for the financial year	—	—	(1,480)	(1,480)
Transactions with owners recorded directly in equity				
Proceeds from shares issued	—	206,447	—	206,447
Balance at 31 January 2022	30,878	206,447	(825)	236,500
Profit and total comprehensive income for the financial period	—	—	707	707
Balance at 30 November 2022	30,878	206,447	(118)	237,207

The notes on pages 14 to 22 form an integral part of these financial statements.

AZLAN EUROPEAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2022

1 General information

Azlan European Finance Limited (the 'company') is a private company limited by shares, incorporated and domiciled in England. The registered office address is Maplewood Crockford Lane, Chineham Park, Basingstoke, Hampshire, RG24 8YB.

The company's principal activity and nature of its operations are described in the Directors' Report.

2 Principal accounting policies

2.1 Accounting convention and statement of compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements are prepared in UK pounds sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000, unless otherwise indicated.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- preparing a statement of cash flows;
- related party transactions with wholly owned members within the TD SYNEX group;
- disclosure of key management personnel compensation; and
- preparing certain financial instrument disclosures.

The company has taken advantage of these exemptions on the basis that it meets the definition of a qualifying entity and its ultimate parent undertaking, TD SYNEX Corporation, includes the related disclosures in its own consolidated financial statements. Details of where those financial statements may be obtained can be found in note 14.

Other than the exemptions taken above, the company has applied the recognition, measurement and disclosure requirements of FRS 102.

The company has taken advantage of the exemption under Section 401 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

AZLAN EUROPEAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2022

2 Principal accounting policies (continued)

2.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

At the reporting date, the company has net current assets of £30,760,000. The directors have performed a going concern assessment which indicates that there will be no cash outflows expected within the next 12 months from the date of approval of the financial statements. There are no plans to fundamentally change the nature of the company or cease its operations as part of the TD SYNEX group of companies. There are no plans to liquidate this company within the next 12 months and therefore the directors have prepared the financial statements on a going concern basis.

2.3 Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2.4 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities, based on the tax rates and laws that are enacted or substantively enacted by the period end.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity, otherwise income tax is recognised in the income statement.

AZLAN EUROPEAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 NOVEMBER 2022

2 Principal accounting policies (continued)

2.4 Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.5 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.

AZLAN EUROPEAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD ENDED 30 NOVEMBER 2022

2 Principal accounting policies (continued)

2.6 Investments

Investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

2.7 Financial instruments

Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit or loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit or loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount.

Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

AZLAN EUROPEAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2022

2 Principal accounting policies (continued)

2.7 Financial instruments (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest rate method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

AZLAN EUROPEAN FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2022

3 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:

Impairment

In order to test for indicators of impairment for the investment, a net asset valuation has been performed where the net assets of the investment are compared to its carrying amount. Where the carrying amount of the investment exceeds the underlying net assets of the investment, this is a potential indicator of impairment. The net asset value of the investment exceeds the carrying value in the respective investment and therefore there is no indication of impairment.

Therefore from the above, it is evident that there are no further impairment considerations required.

4 Auditor's remuneration

Fees of £20,000 (Year ended 31 January 2022: £19,000) were paid by another group company to the auditor in respect of the audit of the company's financial statements.

5 Employees

The company had no employees in the current period and prior year other than the directors.

6 Directors' remuneration

The directors received no remuneration from the company in respect of qualifying services during the current period or prior year.

7 Profit/(loss) before taxation

Profit/(loss) before taxation is stated after (crediting)/charging:

	Period ended 30 November 2022	Year ended 31 January 2022
	£000	£000
Exchange differences	(1,054)	1,827

AZLAN EUROPEAN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022

8 Tax on profit/(loss)

	Period ended 30 November 2022 £000	Year ended 31 January 2022 £000
Current tax		
UK tax on profit/(loss) for the period/year	–	(347)
Adjustments in respect of prior periods	347	–
Current tax charge/(credit)	347	(347)

Factors affecting the tax credit for the current period

The tax assessed for the period ended 30 November 2022 is higher than (Year ended 31 January 2022: the same as) the effective rate of corporation tax in the UK of 19% (Year ended 31 January 2022: 19%). The differences are explained below:

	Period ended 30 November 2022 £000	Year ended 31 January 2022 £000
Profit/(loss) before taxation	1,054	(1,827)
Current tax at 19% (Year ended 31 January 2022: 19%)	200	(347)
Effects of:		
Adjustments in respect of prior periods	347	–
Group relief surrendered	–	347
Receipt for group relief	–	(347)
Group relief received for no consideration	(200)	–
Total tax charge/(credit)	347	(347)

Factors that may affect future tax charges

Change to UK corporation tax rates were substantively enacted by the Finance Bill 2021 (on 24 May 2021). These included an increase in the corporation tax rate from 19% to 25% from 1 April 2023. As the company does not have any deferred tax balances, these announcements will only impact the company in the future.

AZLAN EUROPEAN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022

9 Fixed asset Investments

	Investments in subsidiary undertakings £000
Cost and net book value	
At 1 February 2022	206,447
At 30 November 2022	206,447

As at 30 November 2022, following a review of the carrying value of the investment compared to the recoverable amount, the directors determined there was no impairment required to the value of investments (Year ended 31 January 2022: £Nil).

Subsidiary undertaking

The following was a direct subsidiary undertaking of the company:

Name of undertaking	Registered office	Holding
TD SYNEX UK Limited	Maplewood Crockford Lane, Chineham Park, Basingstoke, Hampshire, RG24 8YB	100 %

10 Debtors

	30 November 2022 £000	31 January 2022 £000
Due after more than one year		
Amounts owed by fellow undertakings	–	29,891
Due within one year		
Amounts owed by fellow undertakings	31,145	533

Amounts owed by fellow group undertakings relate to subsidiaries and are interest free. Management consider the amounts to be fully recoverable and thus have not raised a provision on the receivables.

AZLAN EUROPEAN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022

11 Creditors: amounts falling due within one year

	30 November 2022	31 January 2022
	£000	£000
Amounts owed to group undertakings	385	371

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

12 Called up share capital

	30 November 2022	31 January 2022
	£000	£000
Allotted, called up and fully paid		
43,151,807 ordinary shares of €1 each	30,878	30,878
400 preference shares of €1 each	—	—
	30,878	30,878

The preference shares take preference over ordinary equity shares in the event of a winding up.

13 Reserves

Share premium account

Consideration received for shares issued above their nominal value net of transaction costs. During the year ended 31 January 2022, the company increased the share premium reserve to £206,447,000.

Retained earnings

Cumulative profit and loss net of distributions to owners.

14 Immediate parent undertaking and controlling party

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

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

15 Subsequent events

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