

SSI Europe UK Limited

Registered number: 07253138

Directors' Report and Financial Statements

Financial Year Ended 31 December 2021



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SSI Europe UK Limited

DIRECTORS AND OTHER INFORMATION

Board of Directors

Chad Lyne (USA)
Megan Fine (USA)

Solicitors

Taylor Wessing LLP
5 New Street Square
London
EC4A 3TW
United Kingdom

Secretary and Registered Office

Taylor Wessing Secretaries Limited
5 New Street Square
London
EC4A 3TW 2
United Kingdom

Bankers

JPMorgan Chase Bank
25 Bank Street
London
E14 5JP
United Kingdom

Registered Number: 07253138

Auditors

Ernst & Young
Chartered Accountants
Harcourt Centre
Harcourt Street
Dublin 2
Ireland

Strategic Report

Principal activities

SSI Europe UK Limited, a UK limited company, (the "Company") is a wholly owned subsidiary of ServiceSource Europe Limited, a Republic of Ireland limited liability company. The Company provides sales and marketing and other account management services to other group companies. The Company's principal office is located in The Plaza, 100 Old Hall Street, Liverpool, United Kingdom.

Business review

The Company reported turnover of £9.3m (2020: £9.3m). The Company's profit after tax for the year was £897,501 (2020: loss of £9,609). The Company's expenses primarily represent personnel and overhead costs. The directors are satisfied with the performance of the Company in the year and are confident about the outlook for 2022. The Company had net assets of £6.9m (2020: £5.9m) at 31 December 2021.

Future developments

The directors expect the Company to continue to provide its services to its clients and to generate positive results in future years, even with the announcement about the Acquisition by Concentrix of the parent entity which is noted as a subsequent event below on page 6.

Key performance indicators

Our key financial performance indicators are turnover, gross profit and profit before taxation as set out in the income statement. The Company believes these indicators assist in understanding and assessing the on-going core operations and prospects for the future of the Company.

	2021	2020	Change
	€'000	€'000	%
Turnover	9,330	9,298	0.3%
Operating profit/(loss)	1,119	7	15,886%
Profit after tax	897	(10)	9,070%

Principal risks and uncertainties

The Company's operations expose it to a variety of financial risks that include the credit risk, liquidity risk, and foreign exchange risk. The Company has a risk management programme to manage the financial exposures of the Company by monitoring levels of associated risks.

Credit risk

The Company has limited external credit risk as the Company's turnover is intercompany related. Changes in circumstances are assessed by the directors.

Liquidity risk

The Company's parent actively maintains a senior secured revolving line of credit that is designed to ensure the Company has sufficient available funds to meet its working capital and capital expenditure needs.

Foreign exchange risk

Foreign exchange policy is managed at a group level by the ultimate parent company

Covid 19 Ongoing Risk

COVID-19 has had, and continues to have, a significant impact around the world, prompting governments and businesses to take unprecedented measures in response.

Such measures have included restrictions on travel and business operations, temporary closures of businesses, and quarantine and shelter-in-place orders. The COVID-19 pandemic has at times significantly curtailed global economic activity and caused significant volatility and disruption in global financial markets.

Strategic Report

The Company continues to monitor the situation and take appropriate actions in accordance with the recommendations and requirements of relevant authorities. The extent to which the COVID-19 pandemic may impact the Company's operational and financial performance remains uncertain and will depend on many factors outside the Company's control, including the timing, extent, trajectory and duration of the pandemic, the emergence of new variants, the development, availability, distribution and effectiveness of vaccines and treatments, the imposition of protective public safety measures, and the impact of the pandemic on the global economy

On behalf of the board


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Chad Lyne
Director

Directors' Report

The directors present their report and audited financial statements for SSI Europe UK Limited for the year ended 31 December 2021.

Dividends

The directors do not recommend the payment of a dividend for the current year (2020: Nil).

Directors

The directors who served during the year and up to the date of signing the financial statements unless indicated otherwise, are listed below:

Chad Lyne
Megan Fine

Financial risk management

The Company's operations expose it to a variety of financial risks that includes the effects of credit risk, liquidity risk and foreign exchange.

The directors are aware the Company is susceptible to such changes and monitor the situation.

Research and development

There was no research and development activity during 2021.

Political donations

There were no political donations made during 2021.

Statement of Directors' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 102; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Parent and ultimate controlling party

The Company is a wholly owned subsidiary of ServiceSource Europe Limited, a company incorporated in the Republic of Ireland.

The directors consider ServiceSource International, Inc., a company incorporated in the United States of America, to be the Company's ultimate controlling party.

Directors' Report - continued

Going Concern

The financial statements have been prepared on a going concern basis which assumes the company will have sufficient cash to pay its debts, as and when they become payable, for a period of 12 months from the date the financial statements are approved.

The Directors have received a written letter of support from the parent company, confirming that the parent company will continue to provide financial support, as required, for a period of 12 months from the date the financial statements are approved. The parent company has the financial ability to provide such support and is fully aware of the financial commitments of the company for the period under review. The Directors have no reason to believe that financial support will not be made available as required for a period of 12 months from the date of approval of the financial statements.

Pursuant to disclosure note 20 in its Financial Statements, on May 6, 2022, ServiceSource International, Inc., a Delaware corporation, entered into an Agreement and Plan of Merger (the "Merger Agreement"), dated May 6, 2022, by and among ServiceSource International, Inc., Concentrix Corporation, a Delaware corporation ("Concentrix"), and Concentrix Merger Sub Inc., a Delaware corporation ("Acquisition Sub"). The Merger Agreement provides that, subject to its terms and conditions, Acquisition Sub will merge with and into the Company (the "Merger"), with ServiceSource International, Inc. surviving the Merger and becoming a wholly owned subsidiary of Concentrix. A special meeting of shareholders, at which they will be asked to vote on the merger, is to take place on July 20, 2022. If the vote passes ServiceSource International, Inc. will become a wholly owned subsidiary of Concentrix.

The Directors note that a material uncertainty exists in relation to the parental financial support pledged because of the unknown intentions of the potential future owners of the company should the acquisition proceed. The financial statements do not include any adjustments that would arise should the company no longer continue to be a going concern.

Events since the end of the financial year

Russia's Invasion of Ukraine

Russia's recent invasion of Ukraine and the subsequent economic sanctions imposed by the U.S., NATO and other countries, and various other market issues may have broader implications on economies outside the region, including increased instability in the worldwide financial markets and economy, increases in inflation, and enhanced volatility in foreign currency exchange rates. These uncertainties may cause our clients or potential clients to delay or reduce spending.

Proposed acquisition of parent ServiceSource International, Inc. by Concentrix

Pursuant to disclosure note 20 in its Financial Statements, on May 6, 2022, ServiceSource International, Inc., a Delaware corporation, entered into an Agreement and Plan of Merger (the "Merger Agreement"), dated May 6, 2022, by and among ServiceSource International, Inc., Concentrix Corporation, a Delaware corporation ("Concentrix"), and Concentrix Merger Sub Inc., a Delaware corporation ("Acquisition Sub"). The Merger Agreement provides that, subject to its terms and conditions, Acquisition Sub will merge with and into the ServiceSource International, Inc. (the "Merger"), with ServiceSource International, Inc. surviving the Merger and becoming a wholly owned subsidiary of Concentrix. A special meeting of shareholders, at which they will be asked to vote on the merger, is to take place on July 20, 2022. If the vote passes ServiceSource International, Inc. will become a wholly owned subsidiary of Concentrix.

Provision of information to auditors

Each director, as at the date of this report, has confirmed that, in so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' Report - continued

Auditors

The auditor, Ernst & Young, Chartered Accountants and Statutory Audit Firm, will continue in office as auditor to the Company in accordance with Section 485 of the Companies Act 2006

On behalf of the board

DocuSigned by:



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Chad William Lyne
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SSI EUROPE UK LIMITED

Opinion

We have audited the financial statements of SSI Europe UK Limited for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Financial Position, the Statement of changes in equity and the related Notes 1 to 21, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

- We draw attention to Note 3 of the financial statements which describes the material uncertainty that exists in relation to the parental financial support pledged because of the unknown intentions of the potential new owners should the acquisition described in Note 20 proceed. The unknown intentions may cast doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.
- 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.
- 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 5 of the Financial Statements), 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

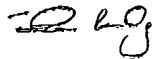
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not 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.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are UK adopted international accounting standards, Companies Act 2006 and relevant tax compliance regulations in the UK.
- We understood how SSI Europe UK Ltd. is complying with those frameworks by making enquires of management and those charged with governance. We corroborated these enquires by reading the board minutes of the Company and noted that there was no contradictory evidence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by enquires of management, those charged with governance and others within the entity if they have any known knowledge of any actual or suspected fraud. Where this risk was considered higher, we performed audit procedures to address the fraud risk.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reading board minutes to identify any non-compliance with laws & regulations and enquires of management and those charged with governance.

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.



Aine Reidy (Senior statutory auditor)
for and on behalf of Ernst & Young Chartered Accountants and Statutory Audit Firm
Dublin 19th July 2022

INCOME STATEMENT
Financial year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	5	9,329,740	9,298,325
Cost of sales		<u>(6,562,404)</u>	<u>(6,611,309)</u>
Gross profit		2,767,336	2,687,016
Administrative expenses		<u>1,647,914</u>	<u>(2,679,594)</u>
Profit before taxation	7	1,119,422	7,422
Tax on profit	9	<u>(221,921)</u>	<u>(17,031)</u>
Profit/ (Loss) for the financial year		<u>897,501</u>	<u>(9,609)</u>


Turnover and profit for the financial year arose solely from continuing operations. The Company had no recognised gains or losses other than those dealt with in the Income Statement that would be required to be disclosed in a separate Statement of Other Comprehensive Income.

SSI Europe UK Limited

STATEMENT OF FINANCIAL POSITION
Year ended 31 December 2021

	Notes	2021 £	2020 £
Non-current assets			
Tangible assets	10	137,063	150,210
Current assets			
Cash and cash equivalents		667,509	1,087,152
Debtors	11	<u>7,513,549</u>	<u>5,690,109</u>
		8,181,058	6,757,261
Creditors - amounts falling due within one year	12	<u>(1,335,436)</u>	<u>(878,205)</u>
Net current assets		6,845,620	5,879,056
Total assets less current liabilities		6,982,683	6,029,266
Provision for liabilities	14	<u>(13,527)</u>	<u>(95,335)</u>
Net assets		<u>6,969,155</u>	<u>5,933,931</u>
Capital and reserves			
Called up share capital	15	1,000	1,000
Share option reserve		2,493,103	2,355,380
Profit and loss account		<u>4,475,052</u>	<u>3,577,551</u>
Total equity		<u>6,969,155</u>	<u>5,933,931</u>

The financial statements on pages 11 to 23 were approved by the board of directors on 19 July 2022 and were signed on its behalf by:

DocuSigned by:

 5341B15E-E687-4AE1-6D24-A33621F648B9
 Chad Lyne

SSI Europe UK Limited

Registered Number: 07253138

SSI Europe UK Limited

STATEMENT OF CHANGES IN EQUITY
31 December 2021

	Notes	Called up share capital £	Share option reserve £	Profit and loss account £	Total £
At 1 January 2020		1,000	2,232,394	3,587,160	5,820,554
Loss for financial year		-	-	(9,609)	(9,609)
Total comprehensive profit for the financial year		-	-	(9,609)	(9,609)
Total transactions with owners, recognised directly in equity:					
Settlement of employee share scheme	13	-	122,986	-	122,986
At 31 December 2020		1,000	2,355,380	3,577,551	5,933,931
At 1 January 2021		1,000	2,355,380	3,577,551	5,933,931
Profit for the financial year		-	-	897,501	897,501
Total comprehensive loss for the financial year		1,000	2,355,380	4,475,052	6,831,432
Total transactions with owners, recognised directly in equity:					
Settlement of employee share scheme	13	-	137,723	-	137,723
At 31 December 2021		1,000	2,493,103	4,475,052	6,969,155

SSI Europe UK Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1 General information

SSI Europe UK Limited, a UK limited company, (the "Company") is a wholly owned subsidiary of ServiceSource Europe Limited, a Republic of Ireland limited liability company. The Company provides sales and marketing and other account management services to other group companies, whose end users are located globally.

The Company is a private company limited by shares and is incorporated in England. The address of its registered office is 5 New Square, London, EC4A 3TW. The Company operates out of premises at Floor 9, 100 Old Street, Liverpool, L3 9QJ.

2 Statement of compliance

The financial statements of SSI Europe UK Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company 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 these notes to the financial statements.

(b) Going concern

The financial statements have been prepared on a going concern basis which assumes the company will have sufficient cash to pay its debts, as and when they become payable, for a period of 12 months from the date the financial statements are approved.

The Directors have received a written letter of support from the parent company, confirming that the parent company will continue to provide financial support, as required, for a period of 12 months from the date the financial statements are approved. The parent company has the financial ability to provide such support and are fully aware of the financial commitments of the company for the period under review. The directors have no reason to believe that financial support will not be made available as required for a period of 12 months from the date of approval of the financial statements.

Pursuant to disclosure note 20 in the Financial Statements, on May 6, 2022, ServiceSource International, Inc., a Delaware corporation, entered into an Agreement and Plan of Merger (the "Merger Agreement"), dated May 6, 2022, by and among the Company, Concentrix Corporation, a Delaware corporation ("Concentrix"), and Concentrix Merger Sub Inc., a Delaware corporation ("Acquisition Sub"). The Merger Agreement provides that, subject to its terms and conditions, Acquisition Sub will merge with and into the Company (the "Merger"), the Group surviving the Merger and becoming a wholly owned subsidiary of Concentrix. A special meeting of shareholders, at which they will be asked to vote on the merger, is to take place on July 20, 2022. If the vote passes the Group will become a wholly owned subsidiary of Concentrix.

The Directors note that a material uncertainty exists in relation to the parental financial support pledged because of the unknown intentions of the potential future owners of the company should the

SSI Europe UK Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

acquisition proceed. The financial statements do not include any adjustments that would arise should the company no longer continue to be a going concern.

4 Critical accounting judgement and estimation uncertainty

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.

(a) Critical judgement in applying the Company's accounting policies

There were no critical judgements made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the Company's financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no key assumptions concerning the future and other key sources of estimations uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets or liabilities within the next financial year.

5 Turnover

The Company's activities consist solely of the provision of sales, marketing, and other account management services to other group companies. These services are provided in the United Kingdom.

6 Parent company

The parent company of SSI Europe UK Limited is ServiceSource Europe Limited. SSI is the ultimate parent and controlling party and is the parent company of the smallest and largest group to consolidate these financial statements. SSI is headquartered in the United States, at 707 17th Street, 25th Floor, Denver, CO 80202, USA.

7 Profit before taxation

	2021 £	2020 £
Profit before taxation is stated after charging:		
Wages and salaries	6,913,947	6,780,385
Share-based compensation expense	137,723	122,986
Social welfare costs	676,575	674,658
Pension costs (Note 18)	222,927	244,651
Total staff costs	<u>7,951,172</u>	<u>7,822,680</u>
Depreciation (Note 10)	75,637	81,104
Operating lease charges	275,556	229,630
Net foreign exchange (gains)/losses	(768,609)	358,538
Auditors remuneration:		
Fees payable for the audit	21,000	21,000
Fees payable for other services - tax compliance	<u>6,000</u>	<u>13,450</u>

SSI Europe UK Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

8 Employees and directors

The average number of employees during 2021 was 198 (2020: 199)

Directors' remuneration attributed to their services in the financial year was £Nil (2020 £Nil). They were accounted for and paid by other companies within the group.

9 Taxation

	2021 £	2020 £
Tax on profit		
Corporation tax on (loss) for the financial year	225,860	8,410
Current tax charge for the year	225,860	8,410
Deferred tax:		
Deferred tax charge for the year (Note 14)	(3,939)	8,621
Total tax charge for the year	221,921	17,031

The current tax charge for the year is higher than the charge that would result from applying the standard UK corporation tax. The differences are explained below

	2021 £	2020 £
Profit before tax	1,119,423	7,422
Profit on ordinary activities multiplied by the average rate of UK corporation tax of 19% (2020: 19%)	212,690	1,410
Effects of:		
Non-deductible expenses	13,165	13,682
Change in rate of corporation tax and deferred tax	(3,934)	1,939
Total tax charge for the year	221,921	17,031

No changes to the UK corporation tax system were introduced in the year. The main corporation tax rate remained unchanged at 19%, effective from 1 April 2018.

UK Corporation tax rates were substantively enacted as part of the Finance Bill 2018 on 29 March 2018.

SSI Europe UK Limited

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021
10 Tangible assets

	Furniture and equipment £	Computer hardware and software £	Leasehold improvements £	Total £
Cost				
At 1 January 2020	372,191	426,056	280,735	1,088,982
Additions	-	100,850	-	100,850
At 31 December 2020	372,191	526,906	280,735	1,189,832
At 1 January 2021	372,191	526,906	280,735	1,189,832
Additions	-	63,055	-	63,055
Disposals	-	(567)	-	(567)
At 31 December 2021	372,191	589,394	280,735	1,252,320
Accumulated depreciation				
At 1 January 2020	369,646	280,896	280,735	951,277
Charge for the year	366	80,713	-	81,104
Adjustments	-	7,241	-	7,241
At 31 December 2020	370,037	378,850	280,735	1,039,622
At 1 January 2021	370,037	378,850	280,735	1,039,622
Charge for the year	366	75,818	-	76,204
Adjustments	-	(567)	-	(567)
At 31 December 2021	370,423	454,100	280,735	1,115,257
Net book amount				
At 31 December 2021	1,763	135,294	-	137,062
At 31 December 2020	2,154	148,056	-	150,210

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	7,369,800	5,572,825
VAT recoverable	11,757	13,886
Prepayments	131,992	103,388
	<u>7,513,549</u>	<u>5,690,109</u>

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

SSI Europe UK Limited

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021
12 Creditors - amounts falling due within one year

	2021 £	2020 £
Trade creditors	57,013	41,172
Accruals	725,304	535,879
Income tax deducted under PAYE and national insurance	249,393	223,294
Deferred rent	77,869	77,869
Corporation tax	225,860	-
	<u>1,335,439</u>	<u>878,205</u>

Trade creditors are paid in accordance with their payment terms.

13 Share-based payments**Equity incentive plans**

The parent company operates certain share-based employee compensation plans, whereby options and restricted stock units ("RSU's") may be granted to employees of the Company to subscribe for shares in the parent company.

The 2020 Equity Incentive Plan ("2020 Plan") was approved by the parent company's stockholders on May 14, 2020 and expires March 4, 2025. The 2020 Plan provides for the parent company's common stock to be issued pursuant to permitted awards, which include, but are not limited to, options, stock appreciation rights, restricted stock units, performance stock units and other cash and stock-based awards. On May 14, 2020, following the approval of the 2020 Plan, the Company's board of directors terminated the 2011 Equity Incentive Plan ("2011 Plan") with the effect that no additional awards may be issued under the 2011 Plan and all outstanding awards under the 2011 Plan shall continue and be unaffected by the termination of the 2011 Plan.

Stock options

Stock options are recorded at fair value on the date of grant date using the Black-Scholes option-pricing model and generally vest ratably over a three to four-year period. Vested options may be exercised up to ten years from the grant date, as defined in the 2020 Plan. Vested but unexercised options expire 90 days after termination of employment with the Company. Stock-based compensation expense is amortized over the service period during which the right to exercise such options fully vests.

RSUs

RSUs are recorded at fair value on the date of grant and amortized over the service period during which the stock vests. RSUs generally vest ratably over three to four years with vesting contingent upon employment of the Company. Prior to vesting, participants holding RSUs do not have shareholder rights. Upon vesting, each RSU is converted into one share of ServiceSource International, Inc. common stock as soon as administratively practicable following the vesting date of the RSU and upon issuance, recordation and delivery, the participant will have all the rights of a shareholder of ServiceSource International, Inc.

Share-based compensation expense

The Company recognised total expenses of £137,723 (2020: £122,986) related to share-based payment transactions.

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14 Provision for liabilities

	2021 £	2020 £
Deferred tax (Note 16)	13,527	17,466
Deferred rent, less current portion	-	77,869
	<u>13,527</u>	<u>95,335</u>

Deferred rent is the difference between cumulative profit and loss charges and the actual cumulative rent charges per the rental lease agreement. As this is contractual there is no expected uncertainty on the timing of outflows.

15 Share capital and reserves

	2021 £	2020 £
Equity:		
Authorised		
100,000 ordinary shares of £1.00 each	100,000	100,000
Allotted, called up and fully paid		
1,000 ordinary shares of £1.00 each	1,000	1,000

16 Deferred tax

	2021 £	2020 £
Deferred tax liability comprised of:		
Accelerated depreciation	13,527	17,466
	<u>13,527</u>	<u>17,466</u>
	2021 £	2020 £
Deferred taxation has been provided as follows:		
Opening balance	17,466	8,845
Charge during the year (Note 9)	(3,939)	8,621
Closing balance	<u>13,527</u>	<u>17,466</u>

17 Financial commitments

	2021 £	2020 £
At 31 December the Company had total commitments under non-cancellable operating leases expiring as follows:		
In one year or less	265,069	353,425
In more than one year, but not more than five years	-	353,425
More than five years	-	-
	<u>265,069</u>	<u>706,850</u>

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18 Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund amounting to £222,927 (2020: £244,651).

19 Related party transactions

The Company has taken advantage of the exemption in FRS 102 which permits subsidiaries, 100% of whose voting rights are controlled within the group, not to disclose transactions with other wholly owned entities that are part of the group.

20 Post balance sheet events

Russia's invasion of Ukraine

Russia's recent invasion of Ukraine and the subsequent economic sanctions imposed by the U.S., NATO and other countries, and various other market issues may have broader implications on economies outside the region, including increased instability in the worldwide financial markets and economy, increases in inflation, and enhanced volatility in foreign currency exchange rates. These uncertainties may cause our clients or potential clients to delay or reduce spending.

Proposed acquisition of parent ServiceSource Inc. by Concentrix

On May 6, 2022, ServiceSource International, Inc., the parent company of the Group, entered into a definitive merger agreement, pursuant to which Concentrix Corporation (NASDAQ: CNXC), a leading global provider of customer experience (CX) services and technologies, will acquire ServiceSource International, Inc. shares at a value of \$1.50 per share. Following this, on June 17, 2022 the parent filed a definitive proxy with the SEC advising shareholders of a special meeting of shareholders, on July 20, 2022 at which they will be asked to consider and vote on the merger with Concentrix.

ServiceSource will act as a key component of Concentrix's strategy to deliver next generation customer experiences and will complement their offerings in a high-value, growing sector. Upon close, the newly combined company will build the future of CX together, with the market's broadest and most differentiated set of solutions to transform customer acquisition, engagement, growth, and retention.

21 Approval of financial statements

The directors approved the financial statements on 19th July 2022